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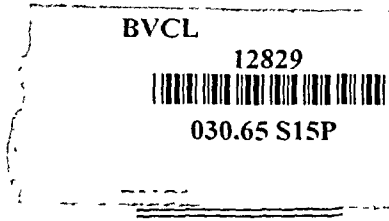
	£	s.	d.
Cider and Perry—			
Retailers of, annual licence, England	1	5	0
Coffee Mixtures, or substitutes, per ¼lb.	0	0	0½
Commission—			
To any officer in the Army or Royal Marines	1	10	0
To any officer in the Navy	0	5	0
Of Lunacy	0	5	0
Distillers, annual	10	10	0
Dogs, of any kind, Great Britain, annual.	0	7	6
Dogs under six months of age, and those kept solely for the purpose of tending sheep or cattle on a farm, or by shepherds, or by blind persons for their guidance, are exempt.			
Ecclesiastical Licences—			
To hold office of lecturer, etc.	0	10	0
For licensing a building for Divine Service, etc., and any chapel for the solemnization of marriages	0	10	0
Not otherwise charged	2	0	0
Faculty or Dispensation—			
In England, in all cases	30	0	0
In Scotland or Ireland, in some cases, £20; in others, £25.			
Game Licences—			
If taken out after July 31, and before November 1, to expire on July 31, following	3	0	0
After July 31, to expire on October 31	2	0	0
After October 31, to expire on July 31	2	0	0
For any continuous period of fourteen days	1	0	0
Gamekeepers—			
Annual, Great Britain, expiring July 31	2	0	0
In Ireland the licences are the same as game licences.			
Game Dealer—			
Annual, expiring July 1	2	0	0
Glucose, per cwt., solid	0	3	3
Ditto, liquid	0	2	0
Glucose or Saccharine—			
Annual licence to manufacture	1	0	0
Guns, including pistols and revolvers, annual, expiring July 31	0	10	0
Persons holding game licences, soldiers, and volunteers are exempt. A licence cannot be transferred to a son or to a servant.			
Hawkers, annual	£2	0	0
House agents, annual, expiring July 5	2	0	0
A person is not liable to pay duty if he only acts in the letting of houses of an annual value not exceeding £25. A storey of a house, or a flat, rated and let as a separate tenement is a house for this purpose.			
Inebriates' Retreats	5	0	0
Ten shillings additional is payable for every patient over ten in number.			
Male Servants—			
Annual duty for each, Great Britain	0	15	0
Medicines, Patent, Great Britain—			
Not exceeding 1*s.*	0	0	1½
,, ,, 2*s.* 6*d.*	0	0	3
,, ,, 4*s.*	0	0	6
,, ,, 10*s.*	0	1	0
,, ,, £1	0	2	0
,, ,, £1 10*s.*	0	3	0
,, ,, £2 10*s.*	0	10	0
Exceeding £2 10*s.*	1	0	0
Dealers, for each place of business, annual	0	5	0
Money Lenders, registration fee	1	0	0
Motor Cars—			
In addition to the carriage licence duty, there is a further excise duty for every light locomotive as follows—			
If the weight exceeds one ton, but not two tons, unladen	2	2	0
If the weight exceeds two tons, unladen	3	3	0
In calculating the weight of a vehicle unladen, the weight of water, fuel, or accumulator is not included.			
Occasional Licences, per day—			
Publicans	0	2	6
Beer retailers	0	1	0
Wine retailers	0	1	0
Tobacco dealers	0	0	4
Passenger vessels, on which tobacco and excisable liquors are sold—			
Per annum	5	0	0
Per day	1	0	0
Pawnbrokers, annual	7	10	0
If dealing in plate, without regard to weight, additional	5	15	0
Pedlars (police licence)	0	5	0
Plate dealers, annual, expiring July 5, whenever issued, in respect of each place of business—			

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Frederick Churchward, Esq., William Fidgeon, Esq., & Robert Thomas Haines, Esq.

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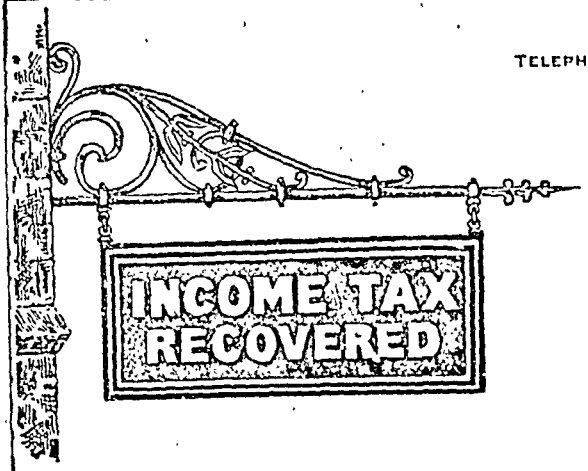
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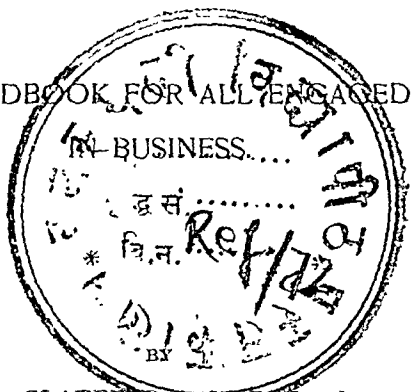
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PREFACE.



THE aim of the present volume is sufficiently indicated by its title, and the book itself is intended to be a compendium for the business man and a repository of commercial information of every character and description.

Within the limits of a volume of this size it is obvious that the many matters dealt with cannot be treated in an exhaustive fashion. For some of them, at least, special works must be consulted. But as a ready reminder, it is believed that the information to be gathered from these pages is of such a character as will assist a business man in an emergency, and will clear up doubts and difficulties which are of every-day occurrence.

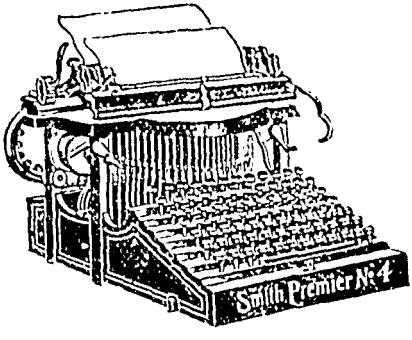
In addition to commercial terms and phrases there will be found a large amount of geographical information, almost entirely of a commercial nature, which has been corrected to date in every detail

For the sake of convenience, and as a help to those engaged in foreign correspondence, the French, German, and Spanish equivalents of English commercial terms and phrases have been given in every case.

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SUMMARY OF CONTENTS.

The following is a list of the principal subjects treated of, together with the chief articles on the same:

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ADJUSTMENT ✓
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STOCK EXCHANGE.
ACCOUNT, STOCK EXCHANGE
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DEFAULTER
FOR MONEY
FOR THE ACCOUNT ✓
HAMMERED
JOBBERS
NAME DAY
OPTIONS
OUTSIDE BROKERS
PARQUET
PUT
SPECIAL SETTLEMENT
STOCK BROKER
TICKET DAY
WALL STREET

A. This letter occurs in several contractions used in business. The principal of these are the following :—

A/C, account current.
A/c, account.
@, for, at, or to.
A/d after date.
A/o, account of.
A/S, account sale.

A 1. This is the mark which is employed in Lloyd's Register of shipping to denote first-class vessels. The letter itself indicates the character of the hull of the vessel, as being built in the best manner. The numeral 1 indicates the efficient state of the stores, cables, anchors, etc. A new ship is registered in Class A for a period varying from four to fifteen years ; and at the expiration of that period the registration may be renewed on condition that her seaworthy condition has been retained by repairs. Periodical surveys are made to see that the first-class character of the vessel is maintained.

The mark A1 is very frequently applied to goods to denote that they are of the very best quality.

ABANDONMENT. (Fr. *Délaissement*, Ger. *Abtretung*, Sp. *Abandono.*)

In a policy of marine insurance, abandonment is of the essence of a claim for constructive total loss. It has been judicially defined as a "cession or transfer of the ship from the owner to the underwriter, and of all his property or interest in it, with all the claims that may arise from its ownership, and all the profits that may arise from it, including the freight then being earned."

A ship may not be actually lost or completely destroyed, but it may be reduced to a "mere wreck or congeries of planks," and its cargo may be so damaged as to exist only in the shape of a nuisance. This is called a constructive total loss, and the test to be applied seems to be this, that no prudent shipowner would go to the expense of repairing or re-instating the vessel, because the market value of the renovated vessel would probably be less than the cost of restoration. The insured then abandons the vessel or goods to the underwriter and claims to recover his policy as for a total loss.

Notice of abandonment must be given within a reasonable time by the owner after he has received intelligence of the loss. It need not be in writing, but it must be certain, unconditional, and of the whole thing insured.

ABRASION OF COIN. (Fr. *Action d'enlever par le frottement*, Ger. *Abreiben*, Sp. *Merma.*)

The loss of weight which coins undergo in passing from hand to hand, or from being brought into contact with each other.

An English sovereign must not be issued by the Master of the Mint weighing less than 123·27447 grains, nor more than 123·47447 grains. There is thus a remedy allowance of ·2 grain. If the coin is reduced in weight below 122·5 grains it ceases to be legal tender. By law a person who has such a coin handed to him ought to cut or deface it, and the offeror will have to bear the loss, for the mutilated coin has no more than its bullion value. In practice this is rarely done except at the Bank of England, and some Government offices.

ABSTRACT OF TITLE. (Fr. *Précis de titre*, Ger. *Kurzer Begriff des Titels*, Sp. *Sumario del titulo.*)

An outline of the evidence of the ownership of anything. The name is generally applied to the document which sets out in chronological order the dates, nature, and material parts of the deeds, wills, settlements, or other documents which affect the title of a person to land. From an inspection of this document a purchaser or mortgagee may be able more readily to deduce the title to the property which is in question.

ABYSSINIA. Situated in North Africa, and occupying a highland region southwest of the Red Sea. It includes the

kingdoms of Tigre, Amhara, and Shoa, with outlying territories, bordering on British and Italian possessions. The King of Shoa is the supreme ruler of the whole country, and the political institutions resemble the feudalism of mediæval Europe. The area is about 320,000 square miles. The population, about three and a half millions, congregate in small towns, none of which has a population exceeding five thousand. Adis Abeba is the capital. Gondar and Harar are the chief centres of inland commerce, and most of the trade passes through Adowa to the Italian port of Massowah. Abyssinia has no coastline of its own. A railway has been constructed from Jibutil, in French Somaliland, to Harar. The manufactures are limited to coarse cotton and woollen cloths, leather, pottery, and some iron, steel, and other metal articles The chief exports are civet, coffee, ivory, gold dust, and gums. British exports to Abyssinia are almost entirely confined to coal. There is a British agent in residence at Adis Abeba, and a British vice-consul at Harar, but Abyssinia has no representative, diplomatic or commercial, in England.

Letters are sent to Abyssinia via Massowah every Friday evening: but correspondence for Massowah can be despatched daily via Italy and the Italian packet. Time of transit, about twenty-one days. Telegrams to Massowah cost 2*s.* 8*d.* per word.

ACCEPTANCE.—(See *Contract, Sale.*)

ACCEPTANCE OF BILL OF EXCHANGE. (Fr. *Acceptation*, Ger. *Annahme*, Sp. *Aceptacion.*)

The acceptance of a bill is the signification by the drawee of his assent to the order of the drawer.

An acceptance is invalid unless it complies with the following conditions, namely:—

(*a*) It must be written on the bill and be signed by the drawee. The mere signature of the drawee without additional words is sufficient.

(*b*) It must not express that the drawee will perform his promise by any other means than the payment of money.

The usual mode of acceptance is for the drawee to write the word "accepted" across the face of the bill and to add his signature. But it is seen, by the 17th section of the Bills of Exchange Act, 1882, quoted above, that signature alone is sufficient. It is probable that the acceptance is complete if the drawee writes what purports to be an acceptance upon the back of a bill.

Acceptance, like every other contract on a bill of exchange, is incomplete and revocable until delivery of the instrument has been made in order to give effect to it.

A bill may be accepted:—

(1) Before it has been signed by the drawer, or while otherwise incomplete;

(2) When it is overdue or after it has been dishonoured by a previous refusal to accept, or by non-payment.

Unless the contrary appears by its terms, a bill of exchange is *primâ facie* presumed to have been accepted before maturity and within a reasonable time after its issue, but there is no presumption as to the exact time of acceptance.

The rules as to acceptance vary in different countries. By German Exchange Law an acceptance once written cannot be cancelled. The Netherlands Code is to the same effect. In France, as in England, an acceptance may be cancelled by the drawee as long as he retains possession of the bill *quâ* drawee. By the common law a verbal acceptance was sufficient, and the common law still prevails in some of the states of North America. Signature of the drawee without any other words, is sufficient in Germany, though not in France. The Spanish Code requires the precise term "accepted" to be used.

Acceptances are either general or qualified. A general acceptance is one which assents without qualification to the order of the drawer. A qualified acceptance in express terms varies the effect of the bill as drawn. A qualified acceptance may be

(*a*) Conditional: that is, dependent upon a condition stated in the acceptance.

(*b*) Partial: that is, an acceptance to pay a part only of the amount for which the bill is drawn.

(*c*) Local: that is, an acceptance to pay at a particular place, and there only.

(*d*) Qualified as to time, when a bill drawn for three months is accepted for six.

(*e*) An acceptance by some and not by all of the drawees, when there are more than one.

German Exchange Law admits a partial acceptance, but makes any other qualification a refusal to accept. French Law admits a partial acceptance, but prohibits a conditional one. England and the United States are the only

countries which allow conditional acceptances.

(1) "The holder of a bill may refuse to take a qualified acceptance, and if he does not obtain an unqualified acceptance, may treat the bill as dishonoured by non-acceptance.

(2) "Where a qualified acceptance is taken, and the drawer or an indorser has not expressly or impliedly authorized the holder to take a qualified acceptance, or does not subsequently assent thereto, such drawer or indorser is discharged from his liability on the bill.

"The provisions of this sub-section do not apply to a partial acceptance, whereof due notice has been given. Where a foreign bill has been accepted as to part, it must be protested as to the balance.

(3) "When the drawer or indorser of a bill receives notice of a qualified acceptance, and does not within a reasonable time express his dissent to the holder, he shall be deemed to have assented thereto."

(Bills of Exchange Act, 1882, s. 44.)

If the acceptor of a bill of exchange desires to qualify his acceptance, he must do so on the face of the bill in clear and unequivocal terms, and so that any person taking the bill could not, if he acted reasonably, fail to understand that it was accepted subject to an expressed qualification.

A forged or unauthorized signature is wholly inoperative, and no holder of a bill can acquire any right through the same. An unauthorized signature not amounting to a forgery may be ratified.

"Where a simple signature on a blank stamped paper is delivered by the signer in order that it may be converted into a bill, it operates as a *primâ facie* authority to fill it up as a complete bill for any amount the stamp will cover, using the signature for that of the drawer, or the acceptor, or the indorser; and, in like manner, when a bill is wanting in any material particular, the person in possession of it has a *primâ facie* authority to fill up the omission in any way he thinks fit."

Any such dealing with blank stamped paper must be within reasonable time, and strictly in accordance with the authority given.

The person who accepts a bill as agent must make it clear upon the face thereof that he accepts in that capacity; otherwise he will be personally liable under his signature.

As to liability under an acceptance, see *Acceptor*, and as to the duties of the holder of a bill, see *Presentment for Acceptance*.

ACCEPTANCE FOR HONOUR. (Fr. *Acceptance*, Ger. *Annahme*, Sp. *Aceptacion*.)

"Where a bill of exchange has been protested for dishonour by non-acceptance, or protested for better security, and is not overdue, any person, not being a party already liable thereon, may, with the consent of the holder, intervene and accept the bill *supra protest*, for the honour of any party liable thereon, or for the honour of the person for whose account the bill is drawn."

The acceptance for honour must be written on the bill and signed by the acceptor, who engages by his acceptance to pay the bill according to its tenor, if it is not paid by the drawee. The liability of the acceptor for honour extends to the holder and to all parties to the bill subsequent to the one for whose honour he has accepted.

A bill may be accepted for honour for a part only of the sum for which it is drawn.

ACCEPTOR. — (Fr. *Accepteur*, Ger. *Acceptant*, Sp. *Aceptante*.)

The person who accepts a bill of exchange drawn upon him. Until the bill is accepted he is called the drawee. There is no liability attached to the drawee until he has signed the bill and become an acceptor.

The acceptor must have capacity to contract. An infant cannot be sued upon a bill of exchange, even though the bill was given for the price of necessaries. Lunacy and drunkenness are defences in an action on a bill against immediate parties, though not against a holder in due course.

The acceptor is the person primarily liable upon the bill. By accepting he engages to pay it according to the tenor of his acceptance, and he is precluded from denying to a holder in due course

(1) The existence of the drawer, the genuineness of his signature, and his capacity and authority to draw the bill;

(2) In the case of a bill payable to the drawer's order, the then capacity of the drawer to indorse, but not the genuineness or validity of his indorsement;

(3) In the case of a bill payable to

the order of a third person, the existence of the payee and his then capacity to indorse, but not the genuineness or validity of his indorsement.

There may be other estoppels arising on evidence. The above arise on the bill itself.

The acceptor may be sued at any time within six years from the maturity of the bill.

If the acceptor has received no consideration for the bill he is in no way liable upon the instrument to the drawer, nor is he liable to any other party to the bill until value has been given by some one. (See *Consideration*, *Holder*.)

ACCIDENT INSURANCE. (Fr. *Assurance contre les accidents*, Ger. *Unfallversicherung*, Sp. *Seguro contra accidentes*.)

This class of insurance, although to some extent a contract of indemnity, is more especially an undertaking to pay a certain specified sum in the event of death or injury from accident. The insurer, in the case of an accident happening, and his paying the sum named in the policy, is not subrogated to the rights of the assured. Therefore an assured person (or his representative in case of death) is not precluded from claiming damages in respect of the injury he has sustained (or his death) because he has effected an insurance against such a contingency.

The stamp upon such a policy is one penny. Two recent acts, 52 & 53 Vict. c. 42, and 59 & 60 Vict. c. 28, have provided for the compounding of insurance duties to meet the cases of certain periodicals which insure their subscribers against accidental death or injury.

The premium payable upon an accident insurance policy is about eight shillings per cent.

As to insurance against accidents to workmen, see *Workmen's Compensation*. A list of the offices which undertake insurances of this kind is given under the head *Insurance Offices*.

ACCOMMODATION BILL. (Fr. *Billet de complaisance*, Ger. *Gefälligkeitswechsel*, Sp. *Letra de acomodación*.)

A bill of this kind, which is known by the various names of a "fictitious bill," a "kite," or a "windmill," is one to which a person has put his name, either as drawer, acceptor, or indorser, without receiving any consideration for the same. So long as no value has been given for such a bill no party is liable to pay the amount of the bill; but directly value has been given a holder in due course has a right to proceed against any of the signatories, even though he knows that the bill is only an accommodation one.

The persons who draw, accept, or indorse such a bill are known as "accommodation parties."

An accommodation bill is discharged when it is paid by any person who is in reality, though not formally, the principal debtor.

ACCORD AND SATSIFACTION. (See *Contract, Discharge of.*)

ACCOUNT (*A/c.*) (Fr. *Compte*, Ger. *Konto, Rechnung*, Sp. *Cuenta.*)

The general term for all arithmetical calculations. Amongst merchants the name is applied to formal statements relating to goods, services or values. It may be a statement of business transactions, showing their debits and credits, with the balance on hand or that due.

ACCOUNT BOOKS. (Fr. *Livres de comptes*, Ger. *Geschäftsbucher*, Sp. *Libros de cuentas.*)

The books in which accounts are recorded. (See *Book-keeping.*)

ACCOUNT, CAPITAL. (Fr. *Compte de capital*, Ger. *Kapitalkonto*, Sp. *Cuenta de capital.*)

This is a record of the capital subscribed to any trading concern, and the manner of its expenditure.

ACCOUNT, CURRENT. (A/C) (Fr. *Compte-courant*, Ger. *Konto-korrent*, Sp. *Cuenta corriente.*)

This is a statement giving the particulars of the transactions which have been carried on between two persons or firms for a certain definite period. The term is in general applied to the copy of a personal account contained in the Ledger, sent to the person with whom the account is running, showing the exact state of the account between the parties. All the items of the account are stated in detail.

ACCOUNT, PROFIT AND LOSS. (Fr. *Compte de profits et pertes*, Ger. *Gewinn- und Verlustrechnung*, Sp. *Cuenta de provechos y pérdidas.*)

Merchants and other traders keep profit and loss accounts for their own information. These accounts show, on the debit side, all items of loss or expense, such as bad debts, depreciation, gas account, insurance, rent, repairs, salaries, trade charges, wages, wear and tear; and, on the credit side, all items of gain or profit. The following may be debit or credit items: commission, dividends, interest, according as they

are received or paid. When the profit and loss account shows a nett gain, the balance is placed on the credit side of the capital account; when it shows a nett loss, the balance is entered on the debit side.

ACCOUNT SALES. (A/S). (Fr. *Compte de vente*, Ger. *Verkaufsrechnung*, Sp. *Cuenta de ventas.*)

The name given to a document sent by an agent or broker, to a principal for whom he has sold goods. Such a document must indicate :—

(*a*) The weight, gauge, measure, etc., of the goods sold;

(*b*) The price obtained per unit, and the total price, or gross proceeds;

(*c*) Any expenses, such as freight, dock charges, insurance, etc., paid by the agent;

(*d*) The charges of the agent for brokerage or commission;

(*e*) The nett proceeds, i.e. the balance remaining after deducting expenses, and the agent's charges from the gross proceeds.

ACCOUNT STATED. (Fr. *Compte*, Ger. *Rechnung*, Sp. *Cuenta.*)

An account between parties showing a balance which has been agreed upon. When any party to an account stated seeks to impeach its truth the burden of proof lies upon him; whereas in an open account the rule is the exact opposite.

ACCOUNT, STOCK EXCHANGE. (Fr. *Terme de la Bourse*, Ger. *Börsengeschäfte "auf Zeit,"* Sp. *Liquidación.*)

Transactions in the transfer of stock are said to be "for the account" when a settlement is to be made at a certain period over which the account extends. In Government securities and other stocks transferable at the Bank of England the settlement is made monthly.

ACCOUNT, SUSPENSE. (Fr. *Compte en suspens*, Ger. *Conto sospeso*, Sp. *Cuenta en suspenso.*)

Owing to various causes, such as deaths, oversights, or postal irregularities, debits and credits occasionally arise which cannot instantly be entered to any particular account. Such items are temporarily entered in the suspense account until the information arrives which disposes of them with certainty, when they are transferred to their proper places.

ACCOUNTANT. (Fr. *Comptable*, Ger. *Bücherrevisor*, Sp. *Contador*).

A person who is skilled in commercial and official affairs in general, and the accounts relating thereto in particular.

Accountants are generally employed in preparing, investigating, and auditing the accounts of traders, making up statements of affairs, collecting accounts, etc.

There are, at present, no restrictions placed upon any man who calls himself an accountant, though an effort is being made to raise the status and qualifications of those who practise as such. The Institute of Chartered Accountants (established in 1870, and incorporated by royal charter in 1880), is most active in this direction, and will admit no man as a member who has not passed its recognized examinations and received a certain amount of proper training. Full particulars are obtainable from the Secretary, Moorgate Place, E.C. The other associations of accountants are the Society of Accountants and Auditors (4, King Street, Cheapside) and the Corporation of Accountants (3 and 4, Bury Court, St. Mary Axe, E.C.).

If an accountant fails to exercise proper care and skill in the performance of his duties, he is liable to an action for damages.

The remuneration of an accountant will generally be fixed by agreement. In the absence of such agreement the remuneration must be fair and adequate. Under the Bankruptcy Acts, 1883 and 1890, the following charges are allowed :

For preparing balance sheet, investigating accounts, etc., principal's time, exclusively so employed, per day of seven hours, including necessary affidavit, £1 1*s.* to £5 5*s.*

Chief clerk's time, 10*s.* 6*d.* to £1 11*s.* 6*d.*

Other clerk's time, 7*s.* 6*d.* to 16*s.*

These charges include stationery, except forms used.

A COMPTE. Fr. on account; means a payment in part.

ACRE. (Fr. *Acre*, Ger. *Morgen Landes*, Sp. *Acre.*)

The original meaning of this word was a field, or piece of open ground. Its meaning is now restricted to a measure of land.

The English statute acre consists of 4,840 square yards. There are 640 acres in a square mile. The Irish acre is larger than the English, 100 of the former being equal to 162 of the latter. The Scottish acre is also larger than the English, 48 of the former being equal to 61 of the latter. The English statute acre is equal to about two-fifths, 0.40467 of the French hectare, which is now the principal unit of land measure in most

of the countries of the world. The English acre is adopted in the United States.

ACT OF BANKRUPTCY. (Fr. *Acte de faillite*, Ger. *Konkursgesetz*, Sp. *Acto de quiebra.*)

An act the performance of which renders a debtor liable to be adjudicated a bankrupt. The act must have been committed within three months previous to the presentation of the bankruptcy petition. If there is more than one, the title of the trustee in bankruptcy relates back to the earliest act proved to have been committed within three months preceding the presentation of the petition.

Each of the following is an act of bankruptcy, under the Bankruptcy Acts of 1883 and 1890, on the part of the debtor:—

(1) If in England or elsewhere he makes a conveyance or assignment of his property to a trustee or trustees for the benefit of his creditors generally.

(2) If in England or elsewhere he makes a fraudulent conveyance, gift, delivery, or transfer of his property or any part thereof.

(3) If in England or elsewhere he makes any conveyance or transfer of his property, or any part thereof, or creates any charge thereon which would, under any Act of Parliament, be void as a fraudulent preference if he were adjudged bankrupt.

(4) If with intent to defeat or delay his creditors he does any of the following things, namely, departs out of England, or being out of England remains out of England, or departs from his dwelling-house, or otherwise absents himself, or begins to keep house.

(5) If execution is issued against him by seizure of his goods, under process in any action in any court, or in any civil proceeding in the High Court, and the goods have been either sold or held by the sheriff for twenty-one days.

(6) If he files in the court a declaration of his inability to pay his debts, or presents a bankruptcy petition against himself.

(7) If a creditor has obtained a final judgment against him for any amount, and, execution thereon not having been stayed, has served on him in England, or, by leave of the court, elsewhere, a bankruptcy notice requiring him to pay the judgment debt in accordance with the terms of the judgment, or to secure or compound for it to the satisfaction of the creditor or the court, and he does not, within seven days of the notice (or an appointed time if the notice is served abroad), either comply with the requirements of the notice or satisfy the court that he has a counterclaim, set-off, or cross-demand which equals or exceeds the amount of the judgment debt, and which he could not set up in the action in which the judgment was obtained.

(8) If the debtor gives notice to any of his creditors, either verbally or in writing, that he has suspended, or that he is about to suspend, payment of his debts.

With regard to the second and the third of the acts of bankruptcy, it is the fraud implied in the conveyance which makes it contrary to law. If it were not so, a person with many creditors, seeing that insolvency was impending, might easily defeat the aim of an equitable division of his property by preferring one or more creditors, and leaving the rest totally unprovided for. A fraudulent preference of this kind made any time within three months before the bankruptcy is liable to be set aside. Conveyances of property made for valuable consideration are unaffected by the act, and a *bonâ fide* voluntary conveyance or gift, although it may be set aside, will not furnish ground for presenting a petition.

The fourth act of bankruptcy refers to the actions of a debtor in using any method to keep out of the way of his creditors.

ACT OF GOD. (Fr. *Acte de Dieu*, Ger. *Fügungen Gottes*, Sp. *Acto de Dios.*)

A phrase always met with in Bills of Lading. It signifies some unforeseen accident or natural cause which could not have been prevented by any reasonable foresight.

No person is legally liable for any loss arising through an Act of God.

ACT OF HONOUR. (Fr. *Acte d'intervention, intervention*, Ger. *Notadresse*, Sp. *Acto de intervención.*)

A term used when a person, not already liable upon it, accepts or pays a dishonoured bill of exchange, after protest, for the honour of (that is, to save the reputation of) the drawer, or one of the indorsers.

ACTIO PERSONALIS MORITUR CUM PERSONA. This is a legal maxim which signifies that a personal action dies with the person. The operation of the rule is now limited to torts, that is, to wrongs independent of contract, which

are not triable by criminal process, and even this limitation has been further narrowed by statutes.

Causes of action arising out of a contract are quite as much "personal" actions as those arising out of a tort, but with the exception of actions for breach of promise of marriage, and for purely personal contracts, such as the hiring of a servant, etc., the maxim does not apply to them. If one of the parties to a contract dies, and an action has to be brought subsequently upon the contract, the executor or administrator of the deceased person is entitled to sue or to be sued upon it. But the rule was the opposite as to torts. No matter how great the injury done or suffered, the death of either party at once put an end to any cause of action.

The statutory exceptions to the common law rule, so far as the real and personal estate of a deceased person are concerned, are contained in two Acts of Parliament, one of the reign of Edward III., and the other of the reign of William IV. The combined effect of these statutes, and the judicial interpretation of them, is that executors and administrators have now the same rights of action, and are liable themselves to be sued in the same manner, as the deceased testators or intestates. The injury must have been done within six months of the death, and the action brought within six months after the time when the executors or administrators have entered upon their office.

The most general and important exception, however, is that created by the passing of what is known as Lord Campbell's Act, in 1846. The Act, which was amended by another Act passed in 1864, provides that the personal representatives of a deceased person can sue for damages for the benefit of his near relatives if his death was caused by circumstances of such a character that he would himself, if he had lived, have had a cause of action on account of the injuries received by him. Action must be taken within six months of the death by the representatives of the deceased, otherwise those parties who would benefit by the damages awarded, if any, are entitled to bring an action themselves.

By the Employers' Liability Act, 1880, and the Workmen's Compensation Acts, 1897 and 1900, a right of action, or an award on arbitration, is given to the representatives of a working man killed in the ordinary course of his employment.

The maxim is not applicable in Scotch law, because the right of action transmits against the representatives of a wrong-doer, in so far as they benefit by the succession to the deceased. Likewise a claim for damages transmits to the representatives of the sufferer.

ACTION. (Fr. *Action, Procès*, Ger. *Klage, Prozess*, Sp. *Acción, Proceso.*)

An action is defined as "a civil proceeding commenced by writ, or in such other manner as may be prescribed by rules of court." It may be taken, under certain conditions, either in the High Court or in the proper county court. But a plaintiff must be careful to choose the county court if the action can properly be tried there, or he may find himself mulcted in the costs of the proceedings, even though he happens to be successful in establishing his claim. By sect. 116 of the County Courts Act, 1888, it is enacted, "with respect to any action brought in the High Court which could have been commenced in the County Court, the following provisions shall apply: if in an action founded on contract the plaintiff shall recover a sum less than twenty pounds, he shall not be entitled to any costs of the action, and if he shall recover a sum of twenty pounds or upwards, but less than fifty pounds, he shall not be entitled to any more costs than he would have been entitled to if the action had been brought in a county court; unless a Judge of the High Court certifies there was sufficient reason for bringing the action in that court, or unless the High Court or a Judge thereof at Chambers shall by order allow costs." If the action is one of tort the same rule applies, but the amounts are ten and twenty pounds respectively, instead of twenty and fifty. An action may be commenced in the High Court, and afterwards remitted to a county court. This frequently happens in actions of contract, where the claim does not exceed £100, unless one of the parties can show good reason why the case should not be sent for trial to a county court, and also in chancery proceedings, for the jurisdiction of county courts in chancery cases is applicable where the value of the matter in dispute does not exceed £500. In the winding-up of joint stock companies the jurisdiction of certain county courts extends to those companies whose capital does not exceed £10,000.

There is at the present time (1903) a new bill before Parliament having for its

object the increase of the jurisdiction of the county courts.

The division of the High Court in which proceedings are to be taken will depend upon the nature of the matter in dispute. Many matters connected with shipping, such as salvage, bottomry, and the mortgages of ships, must be dealt with in the Admiralty Division. Others which have reference to partnership questions, patents, trade-marks, and copyrights, must be dealt with in the Chancery Division. The winding-up business of companies is conducted by one or more of the Chancery Judges in turn. But as to the bulk of the disputes which can arise out of commercial matters, action must be taken in the King's Bench Division, or, if commenced in the wrong division, it will be transferred there. A special court, called the Commercial Court, has been established in this Division for the trial of causes "arising out of the ordinary transactions of merchants and traders; amongst others, those relating to the construction of mercantile documents, export or import of merchandise, affreightment, insurance, banking, and mercantile agency and mercantile usages."

An action is commenced in the High Court by a writ of summons, which is a command to the defendant to appear and answer to a claim made by the plaintiff. The nature of the claim is briefly stated in the indorsement of the writ. Within eight days of the service of the writ the defendant must make up his mind whether he will allow judgment to go against him or contest the claim. If he resolves upon the latter course he must enter an appearance. The sequel will depend upon the nature of the indorsement and the defence which is set up. In some cases, especially in actions on bills of exchange, or for the amount due upon goods sold, the whole matter may be quickly disposed of by what is known as procedure under Order XIV. But if this course is not possible, the plaintiff will generally deliver a document called a statement of claim, in which the particulars of his case against the defendant will be set forth more fully than in the indorsement of the writ. The defendant, in turn, will deliver his defence, and in addition will state any counter-claim or set-off which he desires to raise against the plaintiff. To this the plaintiff generally replies. These are called the pleadings in the action. Many other steps may be taken before the case comes on for trial. If there are documents, to which reference ought to be made, each party must allow the other to inspect and take copies of them. Again, in order to clear the ground and leave the issue to be tried as simple as possible, either the plaintiff or the defendant may obtain an order to put certain interrogatories to his opponent, that is, questions as to matters relevant to the case in dispute, which questions must be answered on oath, and may be used at the trial. In due course the trial takes place, all the points raised by the parties in the pleadings are adjudicated upon, and judgment is pronounced.

The judgment depends entirely upon the nature of the claim. If the plaintiff fails to make out his case, judgment is given against him, and he is generally condemned in the costs of the proceedings. If he succeeds, he obtains an order for relief, varying according to circumstances. In most cases of contract the relief takes the form of an award of damages in money. But it is open to the court in some cases, for example, the sale of goods, to decree what is known as specific performance, that is, to make an order that the contract itself shall be performed according to its terms. It may also order, if it thinks fit, that the contract shall be rescinded. In partnership actions the judgment may order a dissolution of the partnership, and an account to be taken of the transactions between the partners. Another form of relief is injunction, which is the opposite of specific performance. The defendant is thereupon ordered to refrain from doing certain things which he has claimed to have a right to do. This is the ordinary form of judgment, either alone or in addition to an account, which a successful plaintiff obtains in cases of patents, copyright, etc. In cases of interpleader the court decides which of two parties is entitled to goods, etc., which are held by a third and independent person.

A judgment would be of little or no value unless the court gave special means of enforcing it. If it consists of an order to do, or to refrain from doing, certain things, the party in default renders himself liable, unless he obeys the order, to have a writ of attachment issued against him for contempt of court, and he may be ordered to be imprisoned during the court's pleasure, or until he obeys the

judgment. But if the judgment is an award of money damages, a writ of execution is the usual mode in which it is enforced. The most common form is that known as a writ of *fi. fa.*—a contraction of *fieri facias*—which commands the sheriff to seize and sell the goods of the debtor in satisfaction of the debt. If the order commands that the lands of the debtor are to be seized, it is called a writ of *elegit*. When satisfaction cannot be obtained in either of these ways, and the debtor is entitled to receive money from any source, there is a method of attaching his interest by what is known as equitable execution. A receiver is appointed who is empowered to collect the debt and take what is necessary to meet the claims of the creditor. Again, if it appears that there are debts owing to the debtor, a garnishee order may be obtained, under which the creditors of the debtor will be compelled to pay over the amount of their debts to the creditor instead of to the debtor, and will obtain a discharge for so doing. If the debtor is entitled to any stocks, shares, etc., a charging order will sometimes be granted, which will have the effect of preventing him from dealing with the same without due notice to the creditor.

Lastly, if a debtor is contumacious, and refuses to pay his judgment debts, and if it is proved that he has had the means of doing so since the date of the judgment, he may be brought up before the court upon a judgment summons, and sentenced to a term of imprisonment for any period not exceeding six weeks.

When action is taken in a county court, the proceedings are commenced by what is called a plaint, or, in certain cases where the claim is for a liquidated amount, by a default summons. There are special rules as to cases under the Employers' Liability Act and the Workmen's Compensation Act, which must be commenced in a county court. But generally the steps in a county court action, except that there are no formal pleadings as in the High Court, are similar to those in a High Court action, and judgments may be enforced in the same manner as detailed above.

An appeal may be brought from a decision of the High Court to the Court of Appeal, and afterwards from the Court of Appeal to the House of Lords. From a county court an appeal lies to a Divisional Court of the King's Bench Division, a tribunal composed, at the present time, of three judges. There is no appeal, without the leave of the county court judge, in cases where the subject matter in dispute is of less value than £20, and in all cases the appeal must be from the decision of the judge upon a point of law. No appeal from a county court can go beyond the Divisional Court without special leave. Appeals under the Workmen's Compensation Act go direct from the county court to the Court of Appeal.

With the exception of ambassadors and their suites, the English courts have, in general, jurisdiction—and therefore an action at law can be maintained—over all persons resident in this country, in respect of all transactions therein. If an alien settles in England and has a fixed determination of making his permanent home here, he is said to possess an English domicile, and it is immaterial whether he intends to become a naturalized citizen or not. Aliens who are not domiciled are subject in all respects to the law of England, so long as they are resident here; and it is the general opinion, although the point is not quite free from doubt, that their capacity to enter into the ordinary mercantile contracts is governed by the law of this country when the contracts are made in England. In other matters the capacity to contract is determined by the law of the domicile. For example, a domiciled Frenchman cannot contract a valid marriage in England unless he has the capacity to do so by the law of France.

When, however, a contract is made between two persons with respect to a transaction to be carried out in another country, two other questions arise: (1) In which country is an action to be brought for breach of the contract? (2) What are the rights and liabilities which arise under the contract?

In the first place, it must be noticed that the English courts will refuse to entertain any jurisdiction as to any contract concerning land abroad. This is on the ground that it would be impossible to give effect to a judgment which might not be in harmony with the ideas and the law of the country in which the land was situated. Thus, if a dispute arises as to immoveable property, that is, land, in France, the parties must resort to the French courts for a settlement of their differences, even though the disputants are resident in England. The same rule applies if the land is in Scotland or Canada, for since the systems of law of these

countries are different from the law of England, their law is considered as much foreign law as the law of France.

A contract relating to moveable property is valid in all parts of the world, if it is valid by the law of the country where it is made; and for this purpose a contract is supposed to be made at the place where the acceptance of an offer is signified. Therefore, if a contract is made abroad between two aliens, or between an Englishman and an alien, who afterwards take up their residence in this country, an action may be brought upon it in the English courts. But if one only of the parties is resident in England, the possibility of bringing an action in an English court will depend upon whether service of the writ can be effected upon the defendant. The cases in which this can be done are fully set out in Order XI. of the Rules of the Supreme Court. If the English courts refuse to entertain jurisdiction, the plaintiff must have recourse for any remedy to the courts of the country in which the defendant resides. (See *Conflict of Laws.*)

When an action is brought in a foreign country and judgment obtained against a defendant who is resident in England and has no property in the country where the judgment is pronounced, an action may be brought upon the judgment in this country, and, unless any irregularity is proved, it will be enforced here. An English plaintiff who obtains a judgment in an English court can obtain similar satisfaction in the majority of civilized states.

ACTIVE BONDS. (Fr. *Titres au porteur*, Ger. *Aktivobligationen*, Sp. *Seguridades al portador.*)

Bonds which bear a fixed interest, payable in full from the date of issue. Most negotiable bonds are of this kind.

ACTIVE PARTNER. (Fr. *Associé*, Ger. *Aktiver Teilhaber*, Sp. *Socio.*)

One who takes a working part in the business which in part belongs to him. A partner who simply provides capital, and takes no active part in the business, is called a dormant or sleeping partner.

ACTUARY. (Fr. *Actuaire*, Ger. *Aktuar, Gerichtsschreiber*, Sp. *Actuario.*)

A person skilled in the calculation of value of life annuities and insurances from mortality tables and upon mathematical principles, and in the preparation of reports, etc., in connection with insurance matters generally.

He is the person who makes the periodical actuarial report required by the Life Assurance Companies Act, 1870. This report, which must be made every ten years in the case of those Companies established before the passing of the Act, and every five years in the case of those companies established since the Act, is a *résumé* of the financial condition of the company. A copy of the report must be deposited with the Board of Trade within nine months of its preparation, and a printed copy forwarded to every shareholder and policy-holder of the company.

ADEN. Aden is a part of the south coast of Arabia, on the Gulf of Aden, and about one hundred miles east of the Strait of Bab-el-Mandeb. The harbour is excellent, while the place is strongly fortified and garrisoned. Aden is a portion of British India, and the emporium of the whole trade of southern Arabia. It is also the centre of a British Protectorate over the neighbouring Arab tribes, while politically dependent upon Aden are the Somali Coast Protectorate, on the opposite continent of Africa, the Kuria Muria Islands, valuable for their guano, and the protected island of Sokotra. Dates and coffee are exported.

Mails are made up for Aden every Friday evening, and on various other days if specially indorsed to be forwarded by German packet. The time of transit is ten days. The cost of telegrams is 2*s.* 6*d.* per word.

ADJUDICATION ORDER. (Fr. *Déclaration de faillite*, Ger. *Fallimentsanzeige*, Sp. *Mandato de adjudicación.*)

An order made in bankruptcy proceedings against a debtor upon a resolution passed by the creditors, by which the debtor is adjudged a bankrupt and his property vested in a trustee for the benefit of the creditors. The court may be induced to adjudge a debtor a bankrupt even when the creditors have come to no decision on the subject at their meetings, and also

(*a*) If the creditors hold no meeting at all.

(*b*) If a proposed composition or scheme of arrangement falls through.

(*c*) If the debtor has absconded and failed to give a proper account of his affairs.

An adjucation order must be duly advertised in the *Gazette.*

ADJUSTMENT. (Fr. *Règlement d'avaries*, Ger. *Havarieberechnung*, Sp. *Adjuste.*)

A term used in marine insurance to signify the exact amount of indemnity to which the insured is entitled under

the policy, when all deductions and proper allowances have been made. The policy is generally indorsed by the underwriters as follows:—

"Adjusted this loss at — per cent., payable at —."

ADMEASUREMENT. (Fr. *Mesurage*, Ger. *Ausmessung*, Sp. *Cabida.*)

The measurement made in order to ascertain the tonnage of a ship.

ADMINISTRATION ORDER. (Fr. *Gestion*, Ger. *Konkurs*, Sp. *Gestión.*)

An order made by the court in the case of small bankruptcies for the summary administration of the estate of the debtor. (See *Bankruptcy.*)

ADMINISTRATOR. (See *Executor.*)

AD REFERENDUM. (Fr. *Contrat provisoire, ad referendum*, Ger. *Zu weiterer Erwägung*, Sp. *Contrato provisorio.*)

A Latin phrase signifying to be further considered. Ad referendum contracts are sometimes made by public companies and others, and the term then means that a contract has been signed for the supply of certain articles, but that there are some minor points left to be settled, which require further consideration.

AD VALOREM. (Fr. *De la valeur, Sur la valeur*, Ger. *nach dem Werte*, Sp. *Ad valorem.*) Latin, according to value.

(1) A customs *ad valorem* duty is a percentage charge made upon the value of certain goods, and not upon their weight or quantity.

(2) An *ad valorem* stamp duty is a duty payable in respect of certain documents, and varies with the value of the subject matter dealt with by the document.

ADVANCE. (Fr. *Avance*, Ger. *Vorschuss*, Sp. *Adelanto.*)

A prepayment usually sent by merchants, brokers, or agents to the consignor, on receipt of invoice or bill of lading.

ADVANCE NOTES. (Fr. *Billets d'avance*, Ger. *Vorschussanweisungen*, Sp. *Vales de Adelantos.*)

Drafts upon the owner or agent of a vessel given by the master to the seamen when they sign their articles of agreement. Advance notes are, as a rule, for a month's wages; and, as they are payable three days after the sailing of the ship, they enable the seamen to leave some provision for their relatives ashore.

ADVENTURE, BILL OF. (Fr. *Aventure*, Ger. *Aventurbrief, Spekulation*, Sp. *Recibo provisorio.*)

A document signed by a merchant which states that the goods on board a vessel are the property of another, who is to run all risk, the merchant only binding himself to account for the produce.

ADVICE. (Fr. *Avis*, Ger. *Avis*, Sp. *Aviso.*)

In commerce, information or instructions respecting trade communicated by letter. Thus, an advice is generally sent by one banker, or merchant, to another, to inform him of the drafts or bills drawn upon him, with full particulars of their amount, date, and the persons to whom they are payable This document, which is also termed a "letter of advice," prevents mistakes, and at times detects forgeries; for, when bills are presented for payment or acceptance, either can be refused for want of advice.

The term is also used to signify an opinion of counsel or others, a commercial report, or a notification of the arrival or the despatch of goods.

ADVICE NOTE. (Fr. *Note d'avis*, Ger. *Benachrichtigungszettel*, Sp. *Nota de aviso.*)

A letter giving its receiver information either that some particular transaction has been or is about to be effected on his behalf. It is usual to advise the arrival of consignments, the despatch of goods, the payment of accounts, and the shipment of goods.

AFFIDAVIT. (Fr. *Attestation, Déclaration sous serment*, Ger. *eidliche Erklärung*, Sp. *Declaración jurada.*)

A written declaration, given on oath, before a person of authority, as a consul, mayor, magistrate, or notary public. But the usual person before whom an affidavit is sworn is a solicitor, who has been appointed a Commissioner for Oaths. The person making the affidavit, called the deponent, must confine himself to facts within his own knowledge, or if he swears to his belief that certain statements are true, he must give the grounds of his belief. The document must be signed by the deponent, and attested by the person before whom it is sworn.

It must be stamped with a 2*s.* 6*d.* stamp, which may be an adhesive one.

The usual fee of the Commissioner for Oaths is 1*s.* 6*d.*, with an additional 1*s.* for every exhibit. (An exhibit is any document attached to the affidavit.)

The word "affidavit" is Low Latin, and means "has pledged his faith." It was at one time usual to commence the

document thus: Affidavit N.M. etc.

AFGHANISTAN. A country not well known, occupying the eastern part of the Plateau of Iran, and lying between Persia and British India. It separates Asiatic Russia from British India. The whole country is a lofty plateau. Afghanistan is about half as large as Persia, and has a population estimated at 4,000,000. The Afghans are nominally subjects of the Amir of Kabul; but, in fact, this warlike people can hardly be said to form a nationality. The country is one of tribes and village clans.

There are no rivers and no good roads. Goods are camel-carried, and trade is mainly with the cities of India by way of the Himalayan passes. There are three considerable cities—Kabul, the capital, Kandahar and Herat—all situated on caravan routes. Silks are produced at all of these places; carpets at Herat; and dried fruits are sent out from Kandahar.

There is an agent to the Governor General of India resident at Kabul. The country has no representative, diplomatic or commercial, in England.

Letters are despatched via India.

AFRICA, BRITISH EAST. This protectorate extends about 400 miles along the coast northwards from Umba, and inland to the borders of Uganda. Its total area is about 670,000 square miles, with a population estimated at 3,000,000. It is under the direct control of the British Foreign Office, the Imperial British East Africa Company having been bought out in 1895. Large portions of the territory are as yet unexplored, and very few Europeans are residents. The capital, Mombasa, has a fine harbour, and is the terminus of the railway running to Lake Victoria Nyanza. The principal products of the country are cloves, ivory, india-rubber, coffee, hides, etc.

Letters to Mombasa are despatched about once a month, the time of transit being twenty days. Telegrams cost 2*s.* 6*d.* per word.

AFRICA, CENTRAL PROTECTORATE. This territory lies around the shores of Lake Nyassa, and extends to the banks of the Zambesi. Like British East Africa, it is under the direct control of the British Foreign Office. The area is 42,217 square miles, and the population about 1,000,000. Coffee, rice, wheat and rubber are extensively cultivated, and tobacco growing is being developed. The African Transcontinental Telegraph passes through the territory, and a railway is in course of construction from Blantyre to Chiromo.

Mails are despatched about twice a month, via Cape Town or Italy. Telegrams cost 2*s.* 10*d.* per word.

AFTER DATE. (A/d) (Fr. *De date*, Ger. *a dato*, Sp. *Fecha.*)

A phrase often written on bills of exchange, meaning after the date of the bill.

AFTER SIGHT. (Fr. *De vue*, Ger. (*nach*) *Sicht*, Sp. *Vista.*)

A phrase written on bills of exchange, meaning after having been presented to the drawee for acceptance. The acceptor must insert the date of his acceptance upon an after-sight bill, in order that the holders may be aware of the date upon which the bill becomes payable. When the bill is made payable "at sight," it may be presented for acceptance and payment at the same time.

AGENDA. (Fr. *Agenda*, Ger. *Geschäftsordnung*, *Agenda*, Sp. *Minutas.*)

A list of the business to be done at a certain meeting.

AGENT. (Fr. *Représentant*, Ger. *Agent*, Sp. *Representante.*)

A person who is employed to do anything in the place of another. The employer is called the "principal." Employment and agency are sometimes confounded, but the former is a much wider term than the latter, which is used in commercial law to signify employment for the purpose of bringing the employer into legal relationship with third parties.

Any person who possesses the legal capacity to contract may appoint an agent to do any act for him, unless the circumstances are such that the personal services of the principal are imperatively demanded. But it is not necessary that the agent should be a person having legal capacity to contract for himself. Thus an infant may be appointed agent.

Although there is no necessity in the creation of agency that any consideration should move from one party to the other, the agent is generally paid for his services by salary or commission.

Agents are divided into three classes: (*a*) General; (*b*) Particular; (*c*) Universal.

A general agent has authority to do anything which comes within the limits of the position in which he has been placed by his principal. For example, if he is placed in management of a house of business, he has an implied authority

to bind his principal by doing anything which comes within the ordinary scope of the business.

A particular agent is appointed to do a special thing. He has no authority to bind his principal in any other matter than that for which he is engaged, and persons who deal with him are bound to ascertain the extent of his authority.

A universal agent is invested with unlimited authority. Such an agent is rarely met with in commercial transactions.

The principal classes of mercantile agents are: Auctioneers, Brokers, Factors, Masters of Ships, Partners, and Servants.

There is no particular form required for the appointment of an agent, though in order to make the agency binding upon the principal and the agent the ordinary rules of contract are applicable. Frequently agents are appointed by mere word of mouth, and often without any express arrangement at all. But writing is advisable except in the simplest cases. Care should be taken, however, to include in the document all the terms of the agency, on the ground that parol evidence cannot be given to vary a written contract. If the agency is one that is not capable of being performed within a year, it must be evidenced by writing. An agent who is appointed to contract under seal must be appointed by a "power of attorney," and the agent of a corporation ought to be appointed by deed, unless the matter is one of trifling importance or of pressing necessity, or unless the corporation is a trading one.

Agency is often implied. The most familar instances are the agencies of a servant, a wife, or a partner. These are, however, always of a limited character. They are often known as "agencies by estoppel," because the party bound by the contract is prevented or "estopped" by law, or by conduct, from denying the existence of the agency.

Ratification. When an agent has exceeded his authority in such a manner that his principal could not be bound by the contract, the principal may afterwards adopt the transaction provided the agent has contracted as agent and not as principal. This is called ratification. The principal will then be in the same position as he would have been in the absence of any irregularity, and will be entitled to the benefit of the contract, or be liable to the losses which may arise out of it, as though he had previously authorized the making of it. But if a person contracts in his own name without disclosing that he acts as agent and without authority so to act, but with the intention in his own mind of making the contract on behalf of another person, that other person cannot ratify the contract. This has been recently decided in *Keighley, Haxted & Co.* v. *Durant* (1901) A.C. 240.

The contract must be made on behalf of a principal who is in existence at the time it is made. A person cannot, for instance, act as agent for a joint-stock company which has no legal existence at the time the contract is entered into. The attempt to bind a non-existent principal is an impossibility. The contract is a nullity, and cannot be ratified.

Mutual Duties.—(1) *Agent to Principal.* The agent must carry out the work which he has undertaken to do, according to the terms imposed by the agreement, verbal or written. He must also use ordinary skill or diligence in doing his work. The amount of skill and diligence will depend upon whether the agency is a paid or a gratuitous one, and the exercise of the necessary amount of skill and diligence is a question of fact depending upon the circumstances of each case. Any losses which fall upon the principal through the negligence or lack of skill on the part of the agent must be made good by the latter. For example, if an insurance broker fails to effect a proper insurance, he must recoup his principal for any loss which arises through his failure. Similarly, if an agent gives credit without having authority to do so, and the principal loses the price of his goods, etc., through the default of the purchaser, the amount of the loss must be paid by the agent.

Although a principal chooses his own agent, and must use ordinary foresight in his selection, and is liable to third parties for the acts or defaults of his agent, he has a remedy over against the agent if the agent has represented to him that he possesses qualifications for the work or business upon which he has been engaged, which he knows that he has no right to claim, or has undertaken work for which he knows he is unfitted.

An agent must acquaint his principal immediately with all matters which come to his notice in connection with the business in hand.

Proper accounts must be kept of all

transactions, and rendered to the principal on demand. All moneys received must be handed over, and no deductions must be made except for remuneration, and, if agreed, necessary expenses.

As an agent and a principal stand in a fiduciary capacity towards each other, anything in the shape of using his position as agent for his own benefit is forbidden. Thus, an agent who is employed to sell property cannot sell to himself, nor can one appointed to buy property sell that which belongs to himself, except with the knowledge and consent of the principal. If such a thing happens, the seller or the purchaser, as the case may be, is entitled to repudiate the sale or purchase. The agent must hand over all profits made, and must not derive any secret profit from the business. If a bribe has been given to the agent, the principal may recover it from him. The principal may likewise repudiate the contract, and sue for damages for any loss which he has sustained through the improper payment of money.

The agent must himself do the work which he has contracted to carry out; he cannot delegate his authority to another person, unless with the consent of the principal, or, where he has an implied authority to do so, by the recognized usage and custom of the particular business.

(2) *Principal to Agent.* The duty of the principal is to pay the agreed remuneration or commission, and, in most cases, all necessary expenses incurred in the transaction of the business. He must also indemnify the agent against the consequences of all lawful acts done in pursuance of the authority conferred, and likewise for wrongful acts done against a third party, where the agent has acted *bonâ fide*, and was not aware of the wrongful nature of the act.

Relation of Principal and Agent to Third Parties.—There are three cardinal rules relating to transactions with an agent who acts with authority to bind his principal.

(1) If the contract is made with an agent who is known to be such, and who names his principal at the time the contract is made, there is, *primâ facie*, no contract with the agent at all. But, of course, the agent may, if he chooses, make himself personally liable as a contracting party, and the third party may likewise give credit exclusively to the agent. In such a case there is no remedy over against the principal.

To this rule, however, there are three exceptions.

(*a*) In a contract under seal made by an agent, even though the fact of the agency is stated in the deed, owing to a technical rule of law it is the agent and not the principal who is the party to sue or be sued upon it.

(*b*) When a merchant resident abroad purchases goods in England through an agent who is resident in this country, the seller, in the absence of any express evidence to the contrary, contracts with the agent, and there is no contract at all with the principal.

(*c*) If an agent is a party to a bill of exchange in his own name, the principal is not liable upon the instrument. But "where a party signs a bill as drawer, indorser, or acceptor, and add words to his signature indicating that he signs for or on behalf of his principal, or in a representative capacity, he is not personally liable thereon."

(2) If a contract is made with an agent who is known to be such, but who does not name his principal at the time the contract is made, the agent is, *primâ facie*, liable on the contract as well as the principal, since it could not be expected that any one would give credit to a person whose name was unknown to him. But where it is clear on the face of the contract that the agent did not pledge his personal credit, although he did not name his principal, he will not be personally liable. Evidence of custom may, however, be given to show that the agent is the proper person to be charged.

(3) If a contract is made with a person who, though really an agent, is not known to be such at the time of entering into the contract, the undisclosed principal is, as a rule, bound by the contract and entitled to enforce it, as well as the agent with whom the contract was made. But the third party must make his election within a reasonable time of discovering who the real principal is, and there must not have been any dealing with the agent of such a character as to prejudice the principal in his relations with the agent, and to lead him to believe that the agent alone is to be held liable.

Misrepresentation and Fraud of Agent.—If the unauthorized acts of an agent are not ratified, and the agent contracted as agent, though he cannot be held liable as a principal, since he did not

contract as such, he is liable to an action for damages for breach of an implied warranty of authority. If he has fraudulently misrepresented his authority he can be sued for the fraud.

Where an agent has contracted on behalf of a non-existent person as his principal, he is personally liable upon the contract; for example, where a contract has been made on behalf of a company not yet incorporated.

If an agent has committed a fraud in the course of his agency, it is optional on the part of the party injured to sue the agent or the principal. But if the act is one done in excess of the authority of the agent, then the agent alone is liable.

Termination of Agency.—The relationship of principal and agent may be terminated in any one of the following ways:—

(1) By the agreement of the parties.
(2) By efflUxion of time.
(3) By the completion of the business.
(4) By revocation on the part of the principal.
(5) By the renunciation of the agent.
(6) By the death or insanity of the principal or agent.
(7) By the bankruptcy of the principal.

In the case of (4), the agency cannot be terminated in a summary fashion if the contract of agency has been created for the benefit of the agent, and the benefit has not been reaped. Thus, if an agent is appointed for a definite time at a fixed salary, the agency cannot be put an end to without some compensation being paid to the agent for the loss which he will sustain by the revocation. Similarly in the case of (5), the agent on renouncing must compensate the principal for any loss which may arise out of the renunciation.

Notice of a revocation of authority must be given to all persons who have had dealings with the agent on the principal's behalf, otherwise the principal will be bound by future transactions between such persons and his former agent.

AGENT-DE-CHANGE. (Fr. *Agent de Change*, Ger. *Fondsmakler*, Sp. *Corredor de Bolsa.*)

A stock-broker.

AGIO. (Fr., Ger. and Sp. *Agio.*)

A term used to express the difference between the value of the metallic and the paper currency in a country, or between the metallic moneys of different countries.

ALLOCATE. (Fr. *Allouer*, Ger. *Anweisen*, Sp. *Repartir.*)

To allot or assign a thing to a person; most generally used to signify the allotment of shares in a company.

ALLOCATION (Fr. *Répartition*, Ger. *Anweisung*, Sp. *Repartimiento.*)

The act of allotment.

ALLOCATUR. The certificate of allowance of costs granted by the taxing master. When there is an order to tax costs in any proceedings, this certificate must be obtained by the successful party in the suit in order to add the amount to the judgment debt before execution can be levied with respect to the costs.

ALLONGE. (Fr. *Allonge*, Ger. *Allonge*, *Zusatzstück*, Sp. *Allonge.*)

A slip of paper attached to a bill of exchange, providing space for additional indorsements when the back of the bill itself is full of names. Being regarded as a part of the original bill, it need not be stamped.

Some of the foreign codes require that the first indorsement on the allonge shall commence on the bill itself and end on the allonge. This is intended as a precaution against fraud; otherwise an allonge might easily be taken from one bill and attached to another.

ALLOT. (Fr. *Répartir*, Ger. *Zuteilen*, Sp. *Repartir.*)

To distribute in shares.

ALLOTMENT. (Fr. *Répartition*, Ger. *Zuteilung*, Sp. *Distribución.*)

The act of allotting or distributing stock, shares, debenture stock, or bonds in a joint stock company in response to applications for the same, or in pursuance of contracts already entered into with regard to them.

Prior to 1901, nothing was required in the allotment of shares beyond the elements which go to the formation of a simple contract—application, allotment, and communication to the applicant within a reasonable time. The result was that many companies went to allotment when the applications for shares were such as altogether to exclude the possibility of the company being able to conduct any business at all. Since 1900, by sects. 4–8 of the Companies Act of that year, certain restrictions have been imposed as to allotment. No allotment can now be made of any share capital of a company offered to the public for subscription unless,

(*a*) A minimum subscription fixed by the memorandum or articles of association and named in the prospectus as

that upon which the directors may proceed to allotment has been subscribed, and the sum payable on application has been paid to and received by the company; or

(*b*) The whole amount of the share capital has been subscribed and the application money paid.

The amount fixed and named or the whole amount is to be reckoned exclusively of any amount payable otherwise than in cash, and on application there must be paid a sum equal to five per cent. at least of the nominal amount of each share.

If the foregoing conditions have not been complied with on the expiration of forty days after the first issue of the prospectus, all the moneys received from applicants for shares must be repaid to them without interest; and if repayment is not made within forty-eight days after the issue of the prospectus, the directors of the company will be jointly and severally liable to repay the moneys with interest at the rate of five per cent. per annum.

No applicant can legally waive compliance with the foregoing requirements.

The directors are personally liable for any losses arising out of irregular allotments, and are further liable to a fine of £50 if they neglect to make a full return of the allotments to the registrar of joint stock companies within a month of the allotment of the shares.

An application for shares is an offer to contract, and may therefore be withdrawn at any time before the allotment is made and communicated to the applicant. The posting of the letter of allotment is an acceptance of the offer to take shares, and a withdrawal of an application which arrives after the posting of the letter of allotment, even though written and sent before the posting of the acceptance, will come too late. The posting of the letter of allotment binds the applicant and it is no answer to the contract that the applicant never received the letter. (See *Contract*.)

The letter of allotment informs the applicant of the numbers of the shares which have been allotted to him. Where the nominal amount of the allotment is less than £5 a stamp duty of one penny is imposed; for greater amounts the duty is sixpence.

ALLOTMENT NOTES. (Fr. *Notes de crédit*, Ger. *halbe Löhnung*, Sp. *Vales provisorios*.)

Documents signed by seamen, authorizing their employers to pay periodically a part of their wages, limited to one-half, whilst on a voyage, to a savings bank or to some near relative.

ALLOTTEE. (Fr. *Souscripteur*, Ger. *Teilhaber*, Sp. *Suscriptor*.) The person to whom shares in some public company or concern are allotted by a formal Letter of Allotment.

ALL RIGHTS RESERVED. (Fr. *Tous droits reservés*, Ger. *alle Rechte vorbehalten*, Sp. *Derechos de propriedad*.)

A term put upon books by an author, signifying to the public that the copyright is reserved, and that proceedings will be taken against any person doing anything which infringes that copyright.

AMORTISEMENT or AMORTIZATION. (Fr. *Amortissement*, Ger. *Tilgung*, Sp. *Amortización*.)

In law, this means the alienation of lands in mortmain, that is, a transfer in perpetuity to a corporation or to a charity. In finance, it signifies the redemption of bonds or shares, by means of annual drawings from a sinking fund, or the complete extinguishment of a loan by a single payment out of some special fund set aside for the purpose.

ANCHORAGE. (Fr. *Droits d'ancrage*, Ger. *Ankergeld*, Sp. *Fondeadero*.)

The dues imposed on ships for anchoring in certain ports or harbours.

ANKER. (Fr. *Anker*, Ger. *Anker*, Sp. *Cuarterola*.)

A Dutch liquid measure, equal to about ten English gallons.

ANNUITANT. (Fr. *Rentier*, Ger. *Renteninhaber*, Sp. *Rentista*.)

The recipient of an annuity.

ANNUITY. (Fr. *Annuité*, Ger. *Leibrente*, *Annuität*, Sp. *Anualidad*.)

A sum of money payable yearly during a specified time, or for the lifetime of a certain individual, or in perpetuity. It may be created either during the lifetime of the donor or by will. If created by will it ranks and abates as a general legacy. Duty is payable upon the value of the interest of the annuitant calculated according to fixed tables, and is payable in four annual instalments, which are due when the first four payments of the annuity are made. Annuities are likewise subject to estate duty to the extent to which any beneficial interest accrues by survivorship on the death of a person, but a single survivorship annuity is exempt if it is less than £25.

An annuitant may prove against

the estate of a bankrupt to the extent of the present value of his annuity, whether it is for life or for a term of years.

ANTE-DATE. (Fr. *Antidater*, Ger. *vordatieren*, Sp. *Anticipar la fecha.*)

Writing a date upon a cheque, letter, or other document earlier than that on which the cheque, letter, or document was written.

A bill of exchange, including a cheque and a promissory note, is not invalid by reason only that it is ante-dated. In the absence of any evidence to the contrary, the date on the bill is presumed to be the true date of the instrument; but the presumption may be rebutted, e.g. for the purpose of avoiding the effect of the Statute of Limitations.

APPRAISE. (Fr. *Évaluer*, Ger. *abschätzen*, Sp. *Apreciar.*)

The literal meaning of this word is to set a price upon, to value with a view to sale, or otherwise.

APPRAISERS. (Fr. *Évaluateurs*, Ger. *Abschätzer*, Sp. *Tasadores.*)

Persons employed to value property, who are duly licensed for that purpose. The cost of a licence is £2 per annum. Any person acting as appraisers without a licence is liable to a penalty of £50.

On an appraisement or valuation of any estate or effects the duty payable is as follows:—

	£	s.	d.
Where the amount of the appraisement does not exceed £5	0	0	3
Ditto £10	0	0	6
Ditto £20	0	1	0
Ditto £30	0	1	6
Ditto £40	0	2	0
Ditto £50	0	2	6
Ditto £100	0	5	0
Ditto £200	0	10	0
Ditto £500	0	15	0
Where the amount exceeds £500	1	0	0

APPRENTICE. (Fr. *Apprenti*, Ger. *Lehrling*, Sp. *Aprendiz.*)

A person who is bound by contract to serve another in some trade or calling, the latter being under the obligation to teach the apprentice the said trade or calling. The contract is made by deed only, generally spoken of as the apprentice's indentures, and the stamp duty is 2*s.* 6*d.*, it being immaterial whether a premium is paid or not. Indentures of parish and marine apprentices are exempt from stamp duty.

Any person over the age of seven may bind himself as an apprentice, and he must be a party to the deed, the father having no authority to bind his infant child by an apprenticeship deed, but the father is often added as a party. The duties and rights of the parties will generally be set forth in the deed, but in any case the master must give proper instruction to the apprentice throughout the agreed term.

Apprenticeship is terminated by efflux-ion of time, by the coming of age of the apprentice, by the death of either the master or the apprentice, or by the mutual consent of all the parties to the deed. Justices of the peace may also cancel the indentures on complaint or proof of wilful misconduct or disobedience. If the misconduct is on the part of the master, an order may be made calling upon him to refund some portion or the whole of any premium that has been paid.

Apprentices in any trade, who are guilty of any misdemeanour, miscarriage, or bad conduct in their master's service, are liable to imprisonment with hard labour for any period not exceeding three months, or to an abatement of wages. They must not absent themselves from work without reasonable excuse, otherwise they will be compelled to give satisfaction for the same.

On the ground that the failure of consideration must be total and not partial in order to entitle a party to a contract to recover money paid, there is no right to reclaim any portion of the money paid as premium if the master dies during the term of apprenticeship. The apprentice has had the benefit of some portion of the contract. An exception is made in the case of the bankruptcy of the master. By section 41 of the Act of 1883 it is enacted:—

(1) Where at the time of the presentation of the bankruptcy petition any person is apprenticed or is an articled clerk to the bankrupt, the adjudication of bankruptcy shall, if either the bankrupt or apprentice or clerk gives notice in writing to the trustee to that effect, be a complete discharge of the indenture of apprenticeship or articles of agreement; and if any money has been paid by or on behalf of the apprentice or clerk to the bankrupt as a fee, the trustee may pay such sum as he thinks reasonable, subject to an appeal to the court, to or for the use of the apprentice or clerk, regard being had to the terms and time of service and to the general circumstances of the case.

(2) The trustee may, on the application of the apprentice or articled clerk, transfer the indenture of apprenticeship or articles of agreement to some

other person instead of returning any portion of the premium.

APPROPRIATION OF PAYMENTS. (See *Contract, Discharge of.*)

ARBITRAGE. (Fr. *Arbitrage*, Ger. *Arbitrage*, Sp. *Arbitraje.*)

A term applied in the English Stock Exchange and French Bourse to the calculation of the relative simultaneous values of any particular stock on the market, in terms of the quotations on one or more other markets, and to the business founded on such calculations. In the strict sense arbitrage may be defined as a traffic consisting of the purchase, or sale, on one Stock Exchange, and simultaneous, or nearly simultaneous re-sale, or re-purchase, on another Stock Exchange of the same amount in the same stocks or shares. Government stocks, British Consols excepted, are the chief subjects of arbitrage. Other branches of arbitrage, dealing with bullion, coin, or bills, fall within the business of bullion dealers and bankers.

ARBITRATION. (Fr. *Arbitrage*, Ger. *Schiedsverfahren*, Sp. *Arbitración.*)

The act of settling a dispute by referring it to one or more neutral persons nominated by the disputants, whose decision, when written out and signed, is known as their award.

This method has grown in public estimation during the last fifty years, and at the present time many disputes of the class which were formerly decided by the courts are now privately disposed of, and the award made by the arbitrator has the same effect as a judgment when it is taken up.

By the common law an agreement between parties to refer a dispute to arbitration, to the exclusion of the jurisdiction of the courts, was void on the grounds of public policy.

A dispute may be referred to arbitration either by the consent of the parties out of court, or by order of the court. The law upon the subject has been codified by the Arbitration Act, 1889, of which the following are the main provisions :—

References by Consent out of Court.— (1) A submission (which is defined as a written agreement to submit present or future differences to arbitration, whether an arbitrator is named therein or not), unless a contrary intention is expressed therein, is irrevocable, except by leave of the court or a judge, and has the same effect in all respects as if it were made an order of court.

(2) In submissions, unless a contrary intention is expressed therein, the following things are implied :

(*a*) If no other mode of reference is provided, the reference is to be to a single arbitrator.

(*b*) If the reference is to two arbitrators, the two arbitrators may appoint an umpire at any time within the period during which they have power to make an award.

(*c*) The arbitrators are to make their award within three months after entering on the reference, or after having been called on to act by notice in writing from any party to the submission, or on or before any later day to which the arbitrators, by any writing signed by them, may from time to time enlarge the time for making the award.

(*d*) If the arbitrators have allowed the time or extended time to expire without making an award, or have delivered to any party to the submission, or to the umpire, a notice in writing, stating that they cannot agree, the umpire may forthwith enter on the reference in lieu of the arbitrators.

(*e*) The umpire shall make his award within one month after the original or extended time appointed for making the award of the arbitrators has expired, or on or before any later day to which the umpire by any writing signed by him may from time to time enlarge the time for making his award.

(*f*) The parties to the reference, and all persons claiming through them respectively, must, subject to any legal objection, submit to be examined by the arbitrators or umpire, on oath or affirmation, in relation to the matters in dispute, and must also, subject as aforesaid, produce before the arbitrators or umpire all books, deeds, papers, accounts, writings, and documents within their possession or power respectively which may be required or called for, and do all other things which during the proceedings on the reference the arbitrator or umpire may require.

(*g*) The witnesses on the reference are to be examined on oath or affirmation, if the arbitrators or umpire think fit.

(*h*) The award is final and binding on the parties to the arbitration.

(*i*) The costs of the reference and award are in the discretion of the arbitrators or umpire, who may direct to and by whom and in what manner those costs or any part of them are to be paid, and may tax or settle the amount of costs to be so paid or any part thereof, and may award costs to be paid as

between solicitor and client.

(3) Where a submission provides that the reference is to be to an official referee, any official referee to whom application is made shall, subject to any order of the court or a judge as to transfer or otherwise, hear and determine the matters agreed to be referred.

(4) If any party to a submission, or any person claiming through or under him, commences any legal proceedings in any court against any other party to the submission, or any person claiming through or under him, in respect of any matter agreed to be referred, any party to such legal proceedings may at any time after appearance, and before delivering any pleadings, or taking any other steps in the proceedings, apply to that court to stay the proceedings, and that court or a judge thereof if satisfied that there is no sufficient reason why the matter should not be referred in accordance with the submission, and that the applicant was, at the time when the proceedings were commenced, and still remains, ready and willing to do all things necessary to the proper conduct of the arbitration, may make an order staying the proceedings.

(5) In any of the following cases :—

(*a*) Where a submission provides that the reference shall be to a single arbitrator, and all the parties do not, after differences have arisen, concur in the appointment of an arbitrator :

(*b*) If an appointed arbitrator refuses to act, or is incapable of acting, or dies, and the submission does not show that it was intended that the vacancy should not be supplied, and the parties do not supply the vacancy ;

(*c*) Where the parties or two arbitrators are at liberty to appoint an umpire or third arbitrator, and do not appoint him ;

(*d*) Where an appointed umpire or third arbitrator refuses to act, or is incapable of acting, or dies, and the submission does not show that it was intended that the vacancy should not be supplied, and the parties or arbitrators do not supply the vacancy ;

Any party may serve the other parties or the arbitrators, as the case may be, with a written notice to appoint an arbitrator, umpire, or third arbitrator.

If the appointment is not made within seven clear days after the service of the notice, the court or a judge may, on application by the party who gave the notice, appoint an arbitrator, umpire, or third arbitrator, who shall have the like powers to act in the reference and make an award as if he had been appointed by the consent of all parties.

(6) Where a submission provides that the reference shall be to two arbitrators, one to be appointed by each party, then, unless the submission expresses a contrary intention :—

(*a*) If either of the appointed arbitrators refuses to act, or is incapable of acting, or dies, the party who appointed him may appoint a new arbitrator in his place ;

(*b*) If, on such a reference, one party fails to appoint an arbitrator, either originally or by way of substitution as aforesaid, for seven clear days after the other party, having appointed his arbitrator, has served the party making default with notice to make the appointment, the party who has appointed an arbitrator may appoint that arbitrator to act as sole arbitrator in the reference, and his award shall be binding on both parties as if he had been appointed by consent.

The court may, however, set aside any appointment made in pursuance of this section.

(7) The arbitrators or umpire acting under a submission have power, unless a contrary intention is expressed by the submission,

(*a*) To administer oaths to and take affirmations of the parties and witnesses appearing ;

(*b*) To state an award as to the whole or part thereof in the form of a special case for the opinion of the court ; and

(*c*) To correct in an award any clerical mistake or error arising from any accidental slip or omission.

(8) Any party to a submission may sue out a writ of *subpoenâ ad testificandum*, or a writ of *subpoenâ duces tecum* (see *Subpoena*), but no person shall be compelled under any such writ to produce any document which he could not be compelled to produce on the trial of an action.

(9) The time for making an award may from time to time be enlarged by order of the court or a judge, whether the time for making the award has expired or not.

(10) In all cases of reference to arbitration the court or a judge may from time to time remit the matters referred, or any of them, to the reconsideration of the arbitrators or umpire.

Where an award is remitted, the arbitrators or umpire shall, unless the

order otherwise directs, make their award within three months after the date of the order.

(11) Where an arbitrator or an umpire has misconducted himself, the court may remove him and may set aside any arbitration or award that has been improperly procured.

(12) An award on a submission may, by leave of the court or a judge, be enforced in the same manner as a judgment or order to the same effect.

References under Order of Court.—(13) Subject to Rules of Court and to any right to have particular cases tried by a jury, the court or a judge may refer any question arising in any cause or matter (other than a criminal proceeding by the Crown) for inquiry or report to any official or special referee.

The report of an official or special referee may be adopted wholly or partially by the court or a judge, and if so adopted may be enforced as a judgment or order to the same effect.

(14) In any cause or matter (other than a criminal proceeding by the Crown),

(*a*) If all the parties interested who are not under disability consent: or,

(*b*) If the cause or matter requires any prolonged examination of documents or any scientific or local investigation which cannot in the opinion of the court or a judge conveniently be made before a jury or conducted by the court through its other ordinary officers: or,

(*c*) If the question in dispute consists wholly or in part of matters of account: the court or a judge may at any time order the whole cause or matter, or any question or issue of facts arising therein, to be tried before a special referee or arbitrator respectively agreed on by the parties, or before an official referee or officer of the court.

(15) In all cases of reference to an official or special referee or arbitrator under an order of the court or a judge in any cause or matter, the official or special referee or arbitrator shall be deemed to be an officer of the court, and shall have such authority, and shall conduct the reference in such manner, as may be prescribed by Rules of Court, and subject thereto as the court or a judge may direct.

The report or award of any official or special referee or arbitrator on any such reference shall, unless set aside by the court or a judge, be equivalent to the verdict of a jury.

(16) The court or a judge shall, as to references under order of the court or a judge, have all the powers which are conferred by the Act on the court or a judge as to references by consent out of court.

General.—(17) The court or a judge may order that a writ of *subpœnâ ad testificandum*, or of *subpœnâ duces tecum* shall issue to compel the attendance before an official or special referee, or before any arbitrator or umpire, of a witness wherever he may be within the United Kingdom, or a writ of *habeas corpus ad testificandum* to bring up a prisoner for examination.

(18) Any referee, arbitrator or umpire may, at any stage of the proceedings, under a reference, and shall, if so directed by the court or a judge, state in the form of a special case for the opinion of the court any question of law arising in the course of the reference.

(19) Any order made under the Act may be made on such terms as to costs, or otherwise, as the authority making the order thinks just.

(20) Any person who wilfully and corruptly gives false evidence before any referee, arbitrator or umpire, shall be guilty of perjury, as if the evidence had been given in open court, and may be dealt with, prosecuted and punished accordingly.

ARBITRATION OF EXCHANGE. (Fr. *Arbitrage de change*, Ger. *Wechselarbitrage*, Sp. *Arbitraje de cambio.*) This means calculating the proportional rates between two countries, through intermediate places, to see whether direct or indirect drafts and remittances are the most advantageous. For instance, a merchant here having to remit money to Paris at a time when the exchange is unfavourable, may find, on calculation, that it will be more advantageous to make the payment through Amsterdam to Paris, than to send it there direct. When only one intermediate place is concerned, it is termed simple arbitration, when more than one, compound arbitration.

ARCHITECT. (Fr. *Architecte*, Ger. *Baumeister*, Sp. *Arquitecto.*)

A person engaged in the designing and the superintendence of construction of buildings.

There is no special qualification required for any one who wishes to practise as an architect, but the Royal Institute of British Architects and the Society of Architects have done much to advance the status, and elevate the standard of those who are engaged in the profession. The former society was founded in

1834, incorporated by Royal Charter in 1837, and received a new charter with additional powers in 1887. It publishes a *Journal* and a *Calendar*. The offices are situated at 9, Conduit Street, Hanover Square, W. The latter Society was founded in 1884, and incorporated in 1893. Members are admitted by examination. It publishes *The Architects' Magazine* monthly, and a *Year Book* annually. The offices are at St. James' Hall, Piccadilly, W.

An architect is simply an agent, and the general principles of agency are applicable to him. He must use proper skill, as representing himself capable of doing what is generally required from an architect, and he will be liable in an action for damages for negligence. In many building transactions it is customary to pay the builder by instalments, according to the amount of work done. Payment is made upon the certificate of the architect. Any carelessness in giving a certificate, either as to the quantity or quality of the work, will be a clear case of negligence.

There is no fixed scale of remuneration, though a charge of 5 per cent. on the cost of the building is the usual one.

ARE. (Fr. *Are*, Ger. *Ar*, Sp. *Area*.) The unit of the modern French measure of surface, which forms a portion of the decimal system adopted in France. It is a square the side of which is 10 metres, or 32·809 English feet in length. The hectare of 100 ares is generally used in the measurement of land. It is equal to 2·47, or nearly two and a half English statute acres.

ARGENTINA. The Argentine Republic occupies the south-eastern portion of the continent of South America. The area is more than twenty times that of the United Kingdom; the population is estimated at 4,795,000. There is a large and rapidly increasing immigration, chiefly from Italy and Spain. The Republic is a pastoral country, in which sheep-ranches cover a vast area.

Among the minerals known to exist are silver, copper, gold, coal, salt and sulphur; but the output of these is as yet quite small. The coal-fields, though undeveloped, give promise not only of furnishing sufficient coal for home needs, but of providing an article of export to the neighbouring republics.

There is railway communication between Buenos Ayres, the capital, and all the important cities of the country. The railway system between Buenos Ayres and Valparaiso, nearly completed, promises to be one of the greatest trunk lines, not only of South America, but of the world, as it saves the long and dangerous voyage of nearly 2,000 miles around Cape Horn.

After the absorption of Patagonia by Chili and the Argentine Republic, it was found that its supposed barren wastes are interspersed with fertile valleys, fine pastures, dense woods, and every requisite for the support of a large population.

The chief articles of export in the order of their value are wool, hides, skins, corn, preserved meats, live animals, flax, tallow and fat, and wheat. Great Britain buys of the Argentine Republic wool, hides, and skins; and in exchange sells manufactured goods in great variety. Thousands of tons of jerked beef are yearly shipped to Brazil and other neighbouring countries. The value of British imports from the Republic is £13,000,000 annually, and of the exports £7,150,000.

If any portion of the Western Hemisphere has a possibility of rivalling the United States in commercial energy, resources, progressiveness, and enlightenment, it is the Argentine Republic. It has many of the natural resources of the United States, great extent of plains where wheat, corn, and other grain can be raised far in excess of the home demand; almost unlimited forest area of the choicest cabinet and building woods, and evidences of valuable deposits of minerals. The adjoining republic of Paraguay, which is a feeder and tributary to the Argentine Rebuplic, has a large area that will produce sugar, cotton, rice, and other semi-tropical products in abundance.

Explorations have demonstrated the great value of the Patagonian accession in the south, both for raising grain and for grazing; while the further north the republic pushes its frontier, settlers following close behind, the more fertile and productive the soil is found to be. The better part of the northern area can be reached by water-ways, and where these do not exist railways are being rapidly extended. Three-quarters of a million emigrants from Europe have settled in the republic.

There are many small sea-ports, but two-thirds of the foreign trade of the country is done through Buenos Ayres. This is the most energetic and progressive of the cities of South America. It is situated on the River Plate about one hundred miles from its mouth, and the

roadstead is an open one for the entire distance. Nearly opposite is Montevideo, in Uruguay, a city more advantageously situated, yet of much less commercial importance. By means of a submarine cable there is telephonic communication between the two places. More than twenty steamship lines connect Buenos Ayres with important ports in Europe. The population is more than three quarters of a million. The River Plate is formed by the junction of the Parana and the Uruguay rivers, and the Parana river is often spoken of as the Plate throughout its course.

There is a British consul at Rosario, and vice-consuls at Buenos Ayres, Bahia, Blanca, Concordia, Cordova, La Plata, Parana, San Nicolas and Santa Fé. In the United Kingdom, in addition to the Consul-General at Broad Street House, New Broad Street, E.C., there are consular representatives of Argentina at Aberdeen, Belfast, Birmingham, Cardiff, Dublin, Dundee, Edinburgh, Falmouth, Glasgow, Hull, Liverpool, Manchester, Newcastle, Newport, Nottingham, and Southampton.

Buenos Ayres is 7,160 miles from Southampton. Letters are despatched by various routes, and the time of transit is about twenty-two days. The cost of telegrams is 3*s.* 11*d.* or 4*s.* 2*d.* per word.

ARREARS. (Fr. *Arrérages*, Ger. *Rückstände*, Sp. *Retrasos.*)

Amounts remaining unpaid after the proper time of payment.

ARTICLES OF ASSOCIATION. (Fr. *Statuts sociaux*, Ger. *Gesellschaftsstatuten*, Sp. *Articulos de asociación.*)

The rules and regulations which specify the mode of conducting the business of a joint-stock company, the number and qualification of the directors, and generally the whole internal organization of the company. They correspond, in fact, to articles of partnership.

Articles of Association are supplementary to the Memorandum of Association, and every person who has any dealings with a company, whether as a member or a creditor, or otherwise, is presumed to have constructive notice of the contents both of the memorandum and articles, so far as regards the external position of the company.

In the case of a company limited by shares, the provisions of Table A of the first Schedule of the Companies' Act, 1862, may be adopted in whole or in part. Table A is a model set of Articles of Association—ninety-seven in number—sanctioned and recommended by the legislature.

The articles are required to be drawn in separate paragraphs, numbered arithmetically. The number will vary according to the nature of the business of the company, and no general rule can be laid down as to what they should contain, though it is the ordinary course for clauses to be inserted which regulate the general business of the company in reference to the division of its capital, the issue of shares, increase of capital, calls, forfeiture for non-payment, etc., borrowing powers, general meetings, voting, directors and their qualification, powers, duties, etc.; dividends, accounts, audits, notices, arbitration clause, and the distribution of the assets on the winding-up of the company.

The articles must be printed, must bear the same stamp as a deed, viz. 10*s.*, and must be signed by the subscribers of the Memorandum of Association. The signature of each subscriber must be witnessed by some person other than a subscriber. Each member of the company is entitled to a copy of the memorandum and articles on payment of 1*s.*

The Articles of Association are controlled by the Memorandum of Association, which is the instrument indicating the purposes for which the company is established. "The memorandum is, as it were, the area beyond which the action of the company cannot go; inside that area the shareholders may make such regulations for their own government as they think fit." Hence, if the sphere of action of the company is exceeded by the terms of the articles, the latter will be inoperative to the extent of the excess, and nothing that is done under the articles is capable of ratification.

The Articles of Association may be altered by special resolution, and a company cannot contract itself out of its power of making such alteration. It is not an objection to such an alteration that the effect may be retrospective. Thus, in one case the original articles of a company provided that the company should have a lien upon all shares "not being fully paid held by such member." The vendor of the company had been paid in fully paid shares, but a nominee of the vendor, to whom some of the vendor's shares had been allotted, owed money to the company. By special resolution the company altered their articles by striking out the words

"not being fully paid." The effect of the alteration was to charge the fully paid-up shares of the nominee with the payment of his debt. It was held that this could be done.

The Articles of Association are delivered to the Registrar of Joint-Stock Companies at the same time as the Memorandum of Association, and he registers both upon the payment of the fees required. Any special resolution altering them must be printed and annexed to the original articles, and a copy must be filed with the Registrar within fifteen days of the passing of the same. A fee of 5*s.* is payable at the time of the filing of the resolution.

ASCENSION. Ascension is a station of the British West African naval squadron, and is resorted to by merchant ships trading to South America and the settlements on the West Coast of Africa. It now possesses a steam factory, naval yards, and a coaling depot. It has recently been strongly fortified. Georgetown is the capital.

Mails are despatched once a month, and the time of transit is twenty-six days. Telegrams cost 2*s.* 6*d.* per word.

AS PER ADVICE. (Fr. *Suivant avis*, Ger. *laut Bericht*, Sp. *Según aviso.*)

This is a phrase frequently written on a bill of exchange. Its meaning is that notice has already been sent to the drawee that the bill which he now receives would be drawn upon him.

ASSAY or ASSAYING. (Fr. *Essayer*, Ger. *wardieren*, Sp. *Ensayar.*)

To examine or weigh accurately. The term is chiefly applied to testing for the amount of metal in an ore or alloy.

By law silver-plate must be made of a certain degree of fineness in Great Britain, and each article made has to be assayed, and, if approved, stamped at the Goldsmiths' Hall. Assays of gold jewellery are made in a similar manner, which is a guarantee of their quality. It is also a matter of great commercial importance to test the degree of fineness of such things as coin and bullion.

ASSAY-MASTER. (Fr. *Essayeur*, Ger. *Wardein*, Sp. *Ensayador*)

The person who determines the amount of gold and silver in coin or bullion.

ASSETS. (Fr. *Actif*, Ger. *Aktiva*, Sp. *Activo.*)

This term has three meanings:—

(1) The goods or estate of a deceased person available to pay his debts and legacies.

(2) The property of a deceased or insolvent person.

(3) The entire property of all sorts belonging to, or in the possession of a merchant or a trading association.

The word is derived from the old French *assetz*, meaning enough.

Assets are said to be of two kinds, *legal* and *equitable*. The former consist of the property which creditors might make available in a court of law for the payment of the debts of a deceased person, which property had devolved upon the personal representative of the deceased for that purpose, by virtue of his office. The latter consist of the property which could only be made available for the payment of debts in the Court of Chancery. An executor can only exercise his right of retainer, that is, the retention of the amount of a debt due to himself from the deceased in priority to any other debts of equal degree, out of the legal assets which have come into his possession.

ASSIGN. Fr. *Céder*, Ger. *cedieren*, Sp. *Asignar.*)

To make over to another, by means of a deed of assignment, money, goods, or other property.

ASSIGNEE. (Fr. *Cessionnaire*, Ger. *Cessionar*, Sp. *Asignatario.*)

The person to whom any right or property is assigned.

ASSIGNMENT. (Fr. *Cession*, Ger. *Cession*, Sp. *Asignación.*)

The transfer of any right or property, or the document by means of which such transfer is made.

The transfer of land is carried out by means of a deed. The transfer of moveable property may be made by deed, by instrument in writing, or by a simple transfer of possession, according to the statute law governing each. At common law transfer of possession was sufficient.

A *chose in action*, that is, a right to a thing, as distinguished from the thing itself, was not assignable at common law, but could only be enforced by one of the original parties to the contract. This was not the rule in equity, and since the passing of the Judicature Act, 1873, the equitable rule prevails in all the courts. A debt or legal *chose in action* is now assignable, and the assignee is enabled to sue in his own name for the benefit of the same, provided (1) that the assignment is absolute, and not by way of charge only; (2) that it is

in writing and signed by the assignor; and (3) that notice of the assignment is given in writing to the debtor, or to a trustee holding the funds assigned. But although the benefit of a contract can be assigned in this manner, the assignee can only acquire the rights which were possessed by the assignor. Therefore, if a debtor has a counter-claim or a set-off against his creditor, and the creditor assigns his rights to a third person, the assignee will only be able to enforce so much of the claim as the original creditor could have done, and will be bound to allow the counter-claim or set-off. This is called an assignment "subject to the equities." In the same way, if a creditor has only a defective title to anything he purports to assign, the assignee's title, after the assignment, is affected with the same defect.

Special provision has been made for the assignment of rights arising out of certain *choses in action*, e.g., policies of insurance, shares in joint-stock companies, debentures, etc., either by Act of Parliament or by Articles of Association. In order that the assignment may be effectual these provisions must be strictly complied with.

Assignability must not be confounded with negotiability.

The assignment of obligations arising out of a contract is not allowed, except with the consent of the party to whom the performance is due. This is called "novation." In point of fact a new contract is made when this takes place, and fresh parties are substituted for those who were originally bound. There are exceptions to this rule, but they are mainly statutory, and in the case of land there are certain obligations or liabilities which always "run with the land," that is, bind the holder for the time being.

Irrespective of the acts of the parties assignments of rights and obligations may take place through the death or bankruptcy of one or both of them. In the case of death the personal representative, either executor or administrator, succeeds to the position of the deceased, acquires his rights and is answerable for his liabilities, to the extent of the estate that has been left. An executor or administrator may render himself personally responsible to any extent if there is an agreement in writing (and a consideration) to satisfy the fourth section of the Statute of Frauds. The chief exception to this rule is that which has reference to contracts for personal services, such as the employment of a servant or an apprentice. Death puts an end to such a contract, since it is assumed to be an implied condition of the contract that no substitute shall be allowed to fill the place of the original promisor or promisee. In the case of bankruptcy also the trustee acquires all the rights and is responsible, to the extent of the property obtained, for the liabilities of the debtor.

ASSURANCE. (See *Insurance.*)

AT SIGHT. (Fr. *A vue*, Ger. *a vista, bei Sicht*, Sp. *A la vista.*)

A term written on bills of exchange or promissory notes, signifying that they are payable on demand. Days of grace do not attach to bills payable at sight.

ATTACHMENT. (Fr. *Saisie*, Ger. *Pfandung*, Sp. *Embargo.*)

This means either

(1) The seizure of any one's goods or personal property by virtue of a legal process; or

(2) The writ on the strength of which the attachment is made. (See *Garnishee.*)

ATTORNEY, POWER OF. (Fr. *Procuration*, Ger. (*notarielle*) *Vollmacht*, Sp. *Procuración.*)

A formal document, authorizing one person to act for, or on behalf of another. In business such documents are much used to obtain payments from persons living in remote districts, or in foreign countries, without the necessity of the creditor appearing in person.

The authority of the attorney (Fr. *Avoué*, Ger. *Anwalt*, Sp. *Procurador*) must be strictly defined by the deed appointing him. The attorney is, in fact, the special agent of the person who grants the power. By the general law of agency the authority is determined by the death or insanity (*inter alia*) of the donor. To prevent difficulties arising out of acts done by an attorney in the name of his principal after the termination of his authority by operation of law, and without the knowledge of the attorney and the person with whom the attorney is dealing, it has been enacted by sects. 8 & 9 of the Conveyancing Act, 1882, that a power executed under a power of attorney will be permanently effectual in favour of a purchaser, if the power of attorney is given for valuable consideration and expressed to be irrevocable, and will be effectual for a fixed time, whether given

for a valuable consideration or not, if expressed to be irrevocable for a specified time, not exceeding one year from the date of the instrument.

The stamp required is a 10*s.* one.

There are, however, certain powers which are less heavily taxed, viz. :—

	s.	*d.*
Power to receive prize-money or wages	1	0
Power for sale, transfer, or acceptance of any of Government funds not exceeding £100 .	2	6
Power for receipt of dividends or interest of any stock, if for one payment only . . .	1	0
Power for same in any other case	5	0
Proxy to vote at a meeting .	0	1

The following is a common form of a Power of Attorney :—

"Know all men by these presents that I, A. B. of etc., have made, ordained, constituted, and appointed, and by these presents do make, ordain, constitute, and appoint C. D. of etc., to be my true and lawful attorney for me in my name and behalf to ask, demand, sue for, enforce payment of and receive and give effectual receipts and discharges for all moneys, securities for money, debts, legacies, goods, chattels, and personal estate, of or to which I am now or may hereafter become possessed of or entitled to, or which are or may become due, payable, or transferable to me from or by any person or persons whomsoever. And upon receipt of any moneys under or by virtue of these presents, to pay the same to or deposit the same with any banker, broker, or other person on my behalf, and to lay out or invest the same or any part thereof in such stocks, funds, shares, or securities as he my said attorney shall think fit. And for the purposes aforesaid, or any of them, to sign my name to, and make, execute, and do on my behalf any cheques, contracts, agreements, deeds, transfers, assignments, instruments, and things whatsoever. And generally to act in relation to my estate and effects as fully and effectually in all respects as I myself could do, I hereby undertaking to allow, ratify, and confirm everything which my said attorney shall do or suffer by virtue of these presents. And I declare that this power shall be irrevocable for —— calendar months computed from the date hereof.

"In witness whereof I have hereunto set my hand and seal this first day of January, 1903.

"Signed, sealed, and delivered by the above-named A. B. in the presence of . . ."

The appointor signs and seals the power, and two witnesses must add their names and descriptions.

AUCTION. (Fr. *Enchère*, Ger. *Auktion*, Sp. *Subasta, Almoneda.*)

A method of selling property by competition. It is said to have originated in ancient Rome, and to have been introduced for the purpose of disposing of spoils of war. Sales by auction are now conducted on different principles, according to the custom affecting particular trades, localities, or effects. The most general mode is for a professional man, called an auctioneer, to offer the property for sale to persons assembled by advertisement, who compete for the purchase by bids, or offers of sums of money ; and the person who bids last, or bids the highest amount, is declared the purchaser. Sales of this nature are governed by conditions which bind both the seller and the purchaser. These conditions are printed in the particulars of sale, or the catalogues of the articles to be sold. In a Dutch auction, the auctioneer commences by naming a high price, and gradually reduces it until some person closes with his offer. The Scotch term for an auction is "roup."

To prevent puffing, an Act was passed in 1867, with regard to sales of land by auction, making it necessary for a vendor to state in the particulars of sale whether the land is to be sold without reserve, or subject to a reserve price, or whether a right to bid is reserved.

The 58th section of the Sale of Goods Act, 1893, deals with sales of goods by auction.

"(1) Where goods are put up for sale by auction in lots, each lot is *primâ facie* deemed to be the subject of a separate contract of sale ;

"(2) A sale by auction is complete when the auctioneer announces its completion by the fall of the hammer, or in other customary manner. Until such announcement is made, any bidder may retract his bid :

"(3) Where a sale by auction is not notified to be subject to a right to bid on behalf of the seller, it shall not be lawful for the seller to employ any person to bid at such sale, or for the auctioneer knowingly to take any bid from the seller or any other person ; any sale contravening this rule may be treated as fraudulent by the buyer :

"(4) A sale by auction may be notified to be subject to a reserved or upset price, and a right to bid may also be reserved expressly by or on behalf of the seller.

"Where a right to bid is expressly reserved, but not otherwise, the seller, or any one person on his behalf, may bid at the auction."

As soon as the contract is completed, it is usual for the purchaser to pay a deposit, the amount and the time for payment of which are usually provided for in the terms of sale. The deposit is not merely a pledge, but it is a payment on account of the purchase-money. If the purchaser fails to complete the purchase, the vendor can retain the deposit and claim damages for the non-fulfilment of the contract. If the vendor is in default, the deposit must be returned to the purchaser, who has likewise a right of action against the vendor for breach of contract.

AUCTIONEER. (Fr. *Commissaire-priseur*, Ger. *Auktionator*, Sp. *Agente de Saldos.*)

A person licensed to conduct a sale of goods or other property by public auction for a reward, generally in the form of a commission.

The cost of an auctioneer's licence is £10 per annum. The licence expires on July 5 of each year. The penalty for acting as an auctioneer without a licence is £100; for purporting to carry on business as such, £20. The holder of an auctioneer's licence may act as an appraiser or house-agent without any further payment; and as the licence is personal to the auctioneer, he may carry on his business at several different places. By an Act of 1845, an auctioneer is bound to put up in a public position in his sale-room, during the sale, his full name and address.

No licence is required by a person for the sale of goods and chattels under a distress for rent, nor for sales under the provisions of the Small Debts Acts of Scotland and Ireland.

The auctioneer is primarily the agent of the seller, and his authority may be revoked at any time before a sale takes place, unless the rights of third parties would suffer. After the sale he is an agent of the purchaser for the purpose of signing the memorandum required by the Statute of Frauds or the Sale of Goods Act. This is a presumption which may, however, be rebutted.

The duties of an auctioneer are:—

(1) To obey the instructions of his principal.

(2) To carry out his duties himself, and not delegate them to any clerk, unless he has authority, or unless there is a special custom for him to do so.

(3) To store and keep the goods entrusted to him with proper care.

(4) To use his best efforts to obtain the highest price possible for the property sold.

(5) To receive the purchase-money in cash for goods sold by him before they are allowed to pass into the hands of the purchaser. (N.B.—In the case of a sale of land the auctioneer has only authority to receive the deposit, and not the whole of the purchase-money.)

If the auctioneer fails in any of these duties he is liable to an action for negligence on the part of the seller. He is, moreover, personally liable upon contracts which he was not authorized to make, or may sue upon them, unless he has disclosed the name of his principal. For example, without special instructions he has no power to warrant the goods he sells. But he cannot successfully sue upon a contract which he has signed as agent.

An auctioneer who advertises the sale of certain goods by auction does not, by means of that advertisement alone, enter into any contract or warranty with the persons who attend the sale that the goods shall actually be sold. The advertisement is simply an invitation to come and offer. But where a sale is advertised without reserve, and some of the goods are put up and bid for, there is a binding contract between the auctioneer and the highest bidder that the particular goods shall be knocked down to him.

For his remuneration the auctioneer has a lien upon the goods in his possession. The scale of remuneration is either fixed by special contract or is according to the custom of the business, viz. 5 per cent. on the amount realized by the sale, and the expenses of advertising. If no sale takes place the commission payable is calculated upon the reserve.

An auctioneer may, in the course of his business, be liable for conversion, which has been defined as "an unauthorized act which deprives another of his property permanently or for an indefinite time." The liability depends upon whether the goods are dealt with for the purpose of passing the property in them, or whether there is simply a settling of the price or the performance of some other act which makes the au-

tioneer a mere intermediary between the supposed owner and the purchaser. For the former the auctioneer is liable, for the latter, not. In the case of *Cochrane* v. *Rymill* (40 L.T. Rep. 744) it was said in the course of the judgment: "The defendant had possession of these goods; he advertised them for sale; he sold them, and transferred the property in them, and therefore from beginning to end he had control over the property; and unless we are prepared to hold contrary to all the definitions of conversion which have been laid down, we must hold that such acts amount to conversion. But the auctioneer will not be held guilty of conversion if he has not claimed to transfer the title nor purported to sell, but has simply re-delivered the chattels to the person to whom the man from whom he received them told him to deliver them."

The Auctioneers' Institute of the United Kingdom (Incorporated) is an association of auctioneers, valuers, and land, estate, and house agents, formed for the purpose of promoting the efficiency and usefulness of its members. There are seven district branches in England and Wales. Lectures are given monthly during the winter, and examinations are held once a year. The offices of the Institute are at 57, and 58, Chancery Lane, W.C.

AUDIT. (Fr. *Audition*, Ger. *Bücherrevision*, Sp. *Ajuste de cuentas.*)

An examination of the accounts of any concern by a person who hears or sees the statement, and who verifies the same by reference to vouchers, etc.

The object of an audit is to see that the accounts truly represent the state of affairs of the concern.

AUDITOR. (Fr. *Auditeur*, Ger. *Bücherrevisor*, Sp. *Auditor.*)

A person who audits accounts. Such person has also the right of examining, and hearing the explanations of persons who are responsible for the accounts under examination.

The employment of an auditor or auditors is gradually becoming compulsory in many affairs, and various Acts of Parliament have been passed which contain "audit provisions." The principal of these have reference to Public Health, Municipal Corporations, Sheriffs, Local Government Bodies, Educational Authorities, Lunacy, Railway Companies, Oxford and Cambridge Universities, the Housing of the Working Classes, Building Societies, Friendly Societies, and Trustee Savings Banks.

The most important instance of the employment of auditors, however, is in connection with joint-stock companies, and several important cases have clearly set forth the duties and the liabilities of auditors. In the main these duties and liabilities are imposed in every kind of employment.

An auditor is, in fact, a kind of agent, and as such he comes within the general law applicable to agents. He must do his work with proper care and skill, and if damage results from his negligence he is liable to an action at the instance of any person damnified.

In two very recent cases Lord Justice Lindley has laid down the law as to the duties of auditors with great clearness. "Auditors are, in my opinion, bound to see what exceptional duties, if any, are cast upon them by the articles of the company whose accounts they are called upon to audit. Ignorance of the articles and of exceptional duties imposed by them would not afford any legal justification for not observing them. . . . It is no part of an auditor's duty to give advice either to directors or shareholders as to what they ought to do. An auditor has nothing to do with the prudence or imprudence of making loans with or without security. It is nothing to him whether the business of a company is being conducted prudently or imprudently, profitably or unprofitably. It is nothing to him whether dividends are properly or improperly declared, provided he discharges his own duty to the shareholders. His business is to ascertain and state the true financial position of the company at the time of the audit, and his duty is confined to that. But then comes the question: How is he to ascertain that position? The answer is: By examining the books of the company. But he does not discharge his duty by doing this without inquiry and without taking any trouble to see that the books themselves show the company's true position. He must take reasonable care to ascertain that they do so. Unless he does this, his audit would be worse than idle farce. Assuming the books to be so kept as to show the true position of a company, the auditor has to frame a balance sheet showing that position according to the books, and to certify that the balance sheet presented is correct in that sense. But his first duty is to examine the books not merely for the purpose of ascertaining what they

do show, but also for the purpose of satisfying himself that they show the true financial position of the company. An auditor, however, is not bound to do more than exercise reasonable care and skill in making inquiries and investigations. He is not an insurer; he does not guarantee that the books do correctly show the true position of the company's affairs; he does not even guarantee that his balance sheet is accurate according to the books of the company. If he did he would be responsible for an error on his part, even if he were himself without any want of reasonable care on his part—say, by the fraudulent concealment of a book from him. His obligation is not so onerous as this. Such I take to be the duty of the auditor: he must be honest—i.e., he must not certify what he does not believe to be true, and he must take reasonable care and skill before he believes that what he certifies is true. What is reasonable care in any particular case must depend upon the circumstances of that case. Where there is nothing to excite suspicion, very little inquiry will be reasonably sufficient, and, in practice, I believe, business men select a few cases at haphazard, see that they are right, and assume that others like them are correct also. Where suspicion is aroused more care is obviously necessary; but, still, an auditor is not bound to exercise more than reasonable care and skill even in a case of suspicion, and he is perfectly justified in acting on the opinion of an expert where special knowledge is required. But an auditor is not bound to be suspicious as distinguished from reasonably careful." In accordance with these principles it was held, in the case of the *Kingston Cotton Mills Co.* (1896), 2 Ch., 284, that auditors who, without any ground for suspicion, had accepted and acted upon the certificate of the manager of the company as to the amount and value of the stock of the company (the manager being an old and trusted servant of the company, of high character and competence, and trusted by all who knew him), were under no liability for the balance sheet drawn up, and upon which the directors declared a dividend, though the valuation was proved to have been false to the knowledge of the manager.

Additional provision has been made as to auditors by the Companies Act, 1900. Their names and addresses must appear in the prospectus of a company under section 10 of the Act. The other three sections dealing with the subject are as follows:—

21. (1) Every company shall at each annual general meeting appoint an auditor or auditors to hold office until the next annual general meeting.

(2) If an appointment of auditors is not made at an annual general meeting, the Board of Trade may, on the application of any member of the company, appoint an auditor of the company for the current year and fix the remuneration to be paid to him by the company for his services.

(3) A director or officer of the company shall not be capable of being appointed auditor of the company.

(4) The first auditors of the company may be appointed by the directors before the statutory meeting, and if so appointed shall hold office until the first annual general meeting, unless previously removed by a resolution of the shareholders in general meeting, in which case the shareholders at such meeting may appoint auditors.

(5) The directors of a company may fill any casual vacancy in the office of auditor, but while any such vacancy continues the surviving or continuing auditor or auditors, if any, may act.

22. The remuneration of the auditors of a company shall be fixed by the company in general meeting, except that the remuneration of any auditors appointed before the statutory meeting or to fill any casual vacancy, may be fixed by the directors.

23. Every auditor of a company shall have a right of access at all times to the books and accounts and vouchers of the company, and shall be entitled to require from the directors and officers of the company such information and explanation as may be necessary for the performance of the duties of the auditors, and the auditors shall sign a certificate at the foot of the balance sheet stating whether or not all their requirements as auditors have been complied with, and shall make a report to the shareholders on the accounts examined by them, and on every balance sheet laid before the company in general meeting during their tenure of office; and in every such report shall state whether, in their opinion, the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as shown by the books of the company; and such report shall be

read before the company in general meeting.

The remuneration to be paid to an auditor is always a matter of agreement, the amount depending upon the nature and extent of the audit. The general rule is to pay one inclusive fee.

AUSTRALIA. *Configuration.* — Australia is a continent singularly different in its physical features from any other of the large tracts of land on the earth. With few mountains and rivers—the latter either running part of their course underground or disappearing altogether—with a flora and fauna altogether exceptional, it is yet found tolerably well adapted to European habits, and has been peopled from its antipodes. It has no mountain axis, properly so called, and no circlet of mountains, few permanent lakes, and scarcely any important rivers. Much of the interior is level.

Large areas are considerably above the sea, though very level; and there are no great contrasts of form, as in other lands, except along the eastern coast. Although once thought inaccessible, and, owing to the absence of navigable streams, almost uninhabitable by civilized man, later explorations and the successful journeys which have been made across the country, from sea to sea, tend to prove that the difficulties of reaching and cultivating the interior have been exaggerated; and that settlements will gradually extend backwards, especially from the north and south, until they meet at the almost unknown centre of the island-continent. At any rate, there are no lofty mountains, no large lakes, and no interruptions of desert-land to interfere with this result.

Mountains, etc.—In the continent of Australia there are no lofty mountain chains. One important system, however, stretches behind the east coast, in a nearly north and south direction. This chain, which is known generally as the Dividing Range, nowhere recedes more than one hundred and fifty miles from the coast. Its height varies, in different parts, from two thousand five hundred feet to more than twice that altitude above sea-level; the loftiest point, Mount Kosciusko, being six thousand five hundred feet high. These mountains are exceedingly wild and rugged, and have numerous spurs projecting at right angles from the chain, forming dark and almost subterranean gullies nearly inaccessible, and helping to render the chain much more formidable than far loftier elevations in other countries.

Along the whole of the south and west coasts the land rises immediately to the vast flats of the interior. Thus, almost the whole country partakes of the same geographical features, and this monotony is unfavourable for the development of the higher kinds of vegetables and animals. The greater part of the western and southern sides of Australia seems to consist of tablelands of moderate elevation.

Rivers.—Australia is remarkable for the extreme rarity and small size of its rivers in proportion to the extent of the land. The only one of importance is the Murray, with its tributaries, the Darling, Murrumbidgee, and others. After a tortuous course of 1,600 miles, commencing at the west side of the Dividing Range, the combined stream enters the ocean, having drained the south-eastern portion of Australia. It is too shallow for navigation except by small vessels.

Lakes.—The Australian lakes are very large at certain seasons, but one lake is converted into half a score of mere ponds in the dry weather. Originally visited and described by Eyre, the explorer, in the year 1840, Lake Torrens, in South Australia, was followed for 400 miles, and its width was found to vary from fifteen to twenty miles. It is very shallow. It has since been seen broken up into a multitude of pools. Two hundred miles to the south of Lake Torrens is the Alexandrian Lake, an expansion of the River Murray, about thirty miles across.

Climate.—The absence of mountain ranges and high ground to attract the rain renders the climate of Australia extremely dry. In the settled districts of New South Wales, Queensland, Victoria, and South Australia, the climate is described as delightful, but subject to sudden changes, and, occasionally, to destructive droughts. In the interior it is hot and dry, with occasional woody and grassy flats in the midst of a shingly, scrubby, waterless country. Being situated chiefly in the south temperate zone, the seasons in Australia occur at opposite times of the years to ours, midsummer day falling in December, and midwinter day in June.

Geology.—Australia, Tasmania, and New Zealand exhibit a variety of geological formations, from the old gold-bearing rocks to the most recent gravels and coral reefs. They are especially rich

in the useful metals and minerals—gold, copper, iron, coal, limestone, marble, and building stones.

Vegetation.—Although devoid of the rich and varied vegetation of tropical regions, Australia is well supplied with useful timber trees, species of araucaria and eucalyptus being numerous and characteristic, especially the latter, which are the blue-gums, iron-barks, stringy-barks, jarrah, karri, etc., of the settlers.

All the cultivated plants, the cereals, fruits, and vegetables, from the vine, olive, peach, and sugar-cane, down to the humblest garden produce, can be grown to perfection.

Animals.—With the exception of the dingo, or native dog, there were no mammals in Australia at the time of its discovery beyond kangaroos, opossums, wombats, and other marsupial or pouched quadrupeds.

All the domesticated animals have been introduced by the settlers; to whom the region is also indebted for many of the song-birds, useful insects, and fishes of other countries.

Population.—The great island-continent of the southern hemisphere is nearly as large as Canada, but most of the area is at present an arid wilderness. The bulk of the population of three and three-eighths millions lives in the south-eastern third of the continent, where the surface is somewhat uneven, and where there are several long, shallow rivers.

Political Divisions.—The continent is divided politically into five colonies:—

Colonies.	Capitals.
1. New South Wales .	Sydney.
2. Victoria	Melbourne.
3. Queensland . . .	Brisbane
4. South Australia . .	Adelaide.
5. Western Australia .	Perth.

The above five colonies, together with Tasmania, are united, under the name of "The Commonwealth of Australia."

Commercial Products.—Nine-tenths of the trade of these colonies are with one another and the Mother Country. Gold, which led to the settlement of this continent, is still mined in most of the colonies, and sheep-farming is almost everywhere followed with the best results. Wool is, in fact, the great staple product of this part of the world. In three or four of the largest coast cities some of this product is manufactured, but woollen goods are still a valuable import from the United Kingdom.

Detailed information is given under the heading of each colony of the commonwealth.

AUSTRIA-HUNGARY. *Position, Area, and Population.*—Austria-Hungary is situated in the central part of Europe. Russia is north and east of it, and Germany north and west. European Turkey lies to the south. At the south-west this country has about 500 miles of coast washed by the Adriatic Sea.

The area is more than five times that of England, and the population is forty-four millions. The population of Austria-Hungary is composed of several races. No less than eight languages are spoken, although German is the prevailing language in Austria.

Configuration and Productions.—Though nearly three-fourths of the area is mountainous, the soil and climate are in general exceedingly favourable to agriculture. In the east are the great plains of Hungary, forming about one-third of the area of the empire. Wheat, rye, barley, and oats are abundant in this region. Flax, hemp, and the sugar-beet are also largely grown. Vine culture and fruit raising, especially of prunes, are actively followed in the higher country. The warm regions of the south produce olives, oranges, and lemons. Austria-Hungary raises and exports large numbers of horses, cattle, and sheep. About one-fourth of the area of the country is covered with forests of oak, pine, and beech. Timber forms an important export. Under a recent law silk-culture is exclusively in the hands of the Government. It gives employment to a large number of people.

Mining has been a considerable industry in Austria for centuries, and it is much encouraged by the Government. In the north-west there are rich deposits of iron and coal. Copper is found in several districts. The salt mines near Cracow, in the extreme north, are the greatest in the world. Gold, silver, zinc, lead, tin, quicksilver, graphite, petroleum, and sulphur are other mineral resources of the empire.

Manufactures, and Means of Communication.—The chief manufacturing industries, carried on mainly in the western part, are button making and iron working; linen, cotton, wool and jute spinning; sugar-refining; and glass and paper making.

There are 7,000 miles of navigable rivers and canals in Austria, and 17,000 miles of railways. Most of the railways are owned by the State. The River

Danube enters the empire from Germany on the west, and in its course to the Black Sea drains nearly all the country. Its numerous tributaries are navigable for small vessels.

Commerce.—Though Austria-Hungary has not the advantage of an extended sea-coast, its foreign commerce is considerable. More than half is carried on by rail with Germany. The value of its exports is £65,500,000, and the value of its imports £59,000,000. The leading exports are grain and flour, timber, beet-sugar, cattle, hardware and wool, and woollen goods. The imports are coffee, cotton, wool, and silk.

The value of the direct exports to the United Kingdom is over £1,400,000, the merchandise being chiefly buttons, glass-ware, dried fruits, linen and cotton goods, silks and velvets, porcelain and pottery. The imports from the United Kingdom reach the value of £2,500,000, the chief items being manufactured goods and agricultural implements.

Commercial Towns.—Vienna (German *Wien*), the capital of Austria, has a population of over a million and a half. It is a great trade and industrial centre. From its situation on the Danube it controls an extensive water traffic. It has manufactures of silks, shawls, gloves, leather goods, pearl buttons, and machinery.

Prague (German *Prag*), the capital of Bohemia, has manufactures of hardware and glass. In the glass industry the Bohemians have long been famous. Prague is about the size of Newcastle-upon-Tyne.

Buda Pesth, the capital of Hungary (Buda on the west bank, and Pesth on the east bank of the Danube), is a city nearly as large as Glasgow. It has numerous flour-mills, and is the centre of the grain, cattle, and wine trade of Hungary.

Trieste and Fiume, on the Adriatic Sea, are the principal sea-ports. Trieste does considerable ship-building, and exports the cereals and timber of Hungary. Fiume also has extensive shipyards, besides manufactures of tobacco and rope.

In addition to a commercial *attaché*, Great Britain has consular representatives at Vienna, Buda Pesth, Fiume, Trieste, Prague, and Lissa. Austria-Hungary is represented in this country by a Consul-General in London and consular representatives at Belfast, Birmingham, Bradford, Bristol, Cardiff, Cork, Dublin, Edinburgh, Falmouth, Glasgow, Gloucester, Hull, Jersey, Limerick, Liverpool, Manchester, Newport, Newcastle, Plymouth, Portsmouth, Sheffield, Swansea, and Waterford.

Mails are despatched to Austria-Hungary four times daily. The time of transmission to Vienna (955 miles from London) is thirty-one hours, and to Buda Pesth (1,126 miles) is thirty-nine hours. The cost of telegrams is 3*d.* per word.

AVERAGE. (Fr. *Terme moyen*, Ger. *Durchschnitt*, Sp. *Por medio.*)

If any number of quantities are added together, and divided by the number of quantities, the quotient is the average, or the mean, as it is sometimes called. If, for example, five vessels contain respectively 7, 10, 6, 4 and 8 quarts of any liquid, these figures added together make 35, which, divided by 5, gives 7 as the average; that is, if each vessel contained 7 quarts the total quantity would be 35.

The word thus used as an arithmetical term is quite modern, though it has quite obscured the original meaning it had, viz., in connection with marine insurance.

AVERAGE. (Fr. *Avarie*, Ger. *Havarie*, Sp. *Avería.*)

The original meaning of this word, and the one which it still retains in commerce, is damage or loss by sea. In a secondary sense it signifies a proportionate distribution among the underwriters or ship-owners of the loss which has been sustained.

It appears that the traders of the Hanseatic League were the first to introduce the practice of marine insurance into England; and the term average is derived from them. The Norse word for sea is *haf*. The low Latin *averagium* is, without doubt, an adaptation by the Lombards of the English average.

AVERAGE BOND. (Fr. *Assurance contre le jet à la mer*, Ger. *Havaricakte*, Sp. *Obligación de avería.*)

A bond taken out by the captain of a vessel which has incurred a general average loss, and signed by the consignees of the cargo before any delivery is made to them, thereby binding them to pay their proportion of average as soon as it has been ascertained.

AVERAGE CLAUSE. (Fr. *Clause de jet à la mer*, Ger. *Havarieklausel*, Sp. *Cláusula de avería.*)

A clause in a marine insurance policy, which provides that some articles shall be free from average unless general, and

that others shall be free from average if under a certain percentage named.

AVERAGE, GENERAL. (Fr. *Avarie générale*, Ger. *grosse allgemeine Havarie*, Sp. *Avería general.*)

"All loss which arises in consequence of extraordinary sacrifices made, or expenses incurred, for the preservation of the ship and cargo comes within general average, and this must be borne proportionably by all who are interested."

The term is applied to the apportionment of loss which takes place. The law applicable to apportionment is generally determined by the agreement of the parties; but if not, that of the port of destination of the ship prevails. In order to render the practice in general average uniform, a set of rules, known as the York-Antwerp Rules, were drawn up in 1877, and these are becoming generally adopted, especially in marine insurance policies, when the adjustment of losses has to be made between underwriters and not between individual consignors of goods and the ship-owner. A new set of rules was suggested at a conference held in Glasgow in the autumn of 1901.

General average implies that the whole adventure has been in jeopardy.

In order that general average may arise there must have been,

(*a*) A loss incurred intentionally;

(*b*) The avoidance of a danger common to the interests of all parties;

(c) An absolute necessity for some sacrifice to be made;

(*d*) The preservation of the ship and some portion of the cargo; and

(e) No default on the part of the person whose interest has been sacrificed.

AVERAGE, PARTICULAR. (Fr. *Avarie partielle*, Ger. *besondere Havarie*, Sp. *Avería parcial.*)

Any loss occasioned through damage to the ship or the cargo, which is not for the benefit of all parties, or which has arisen through accident. Loss of an anchor, damage to goods by seawater, and the falling of goods overboard are examples. Losses of this kind remain where they fall, and must be borne by the owners of the goods or by the insurance companies.

If the loss is a partial one the amount of it is estimated by deducting the sale price of the damaged goods from the original market value.

AVERAGE STATER OR ADJUSTER. (Fr. *Dispacheur, Régulateur des avaries*, Ger. *Dispacheur*, Sp. *Comisionado de averías.*)

A person skilled in marine insurance affairs, who, when the insured are claiming indemnity for loss, is employed to prepare statements of the averages previous to their being adjusted by the underwriters, such statements often being of a most elaborate and intricate character, requiring great skill and experience in drawing them up.

AVERAGING. (Fr. *Donner pour prix commun*, Ger. *Durchschnittspreis*, Sp. *Fijar un término medio.*)

A system by which a speculator increases his transactions at a higher or a lower figure when the price moves against him, so that the average price of the whole will be higher or lower than his original purchase or sale. A bull would average by buying a further quantity as the price fell away, and a bear by selling a further quantity as the price rose against him.

AVOIRDUPOIS. (Fr. *Avoir-du-poids*, Ger. *(Englisches) Handelsgewicht*, Sp. *Avoirdupois, Peso comun.*)

The name given to the system of weights used, both in England and in America, in general commerce. The ounce contains 437½ grains. The value of the grain is set forth in the Act of Parliament, 5 Geo. IV. c. 74, in the following words: "A cubic inch of distilled water weighed in air, by brass weights, at the temperature of 62° of Fahrenheit's thermometer, the barometer being at 30 inches, is equal to 252 grains and four hundred and fifty-eight thousandth parts of a grain." The pound avoirdupois contains 7,000 such grains.

AWARD. (Fr. *Jugement*, Ger. *Schiedsspruch*, Sp. *Adjudicado.*)

The finding or decision of an arbitrator or arbitrators, or their umpire, on matters in dispute between parties, before or after litigation.

There is no special form required by law in which an award should be made, nor need the award be in writing; but a written award is necessary where there has been a written submission, unless a contrary intention is expressed in the submission.

The award must embody the decision of the arbitrator or umpire himself, though its form may be settled by another person, e.g., the solicitor of the arbitrator. If there are more arbitrators than one, the award must be signed by each one, and this must be done at the same time and in each other's presence.

The award must be made within three months of the submission to arbitration, unless the time is extended by notice to the parties. It is not usual for the award to be delivered except upon payment of the costs of the arbitrator or umpire. The amount of the costs may be fixed by the arbitrator himself if the submission does not otherwise provide, and the court will not interfere unless the amount is excessive.

In the absence of any misconduct on the part of the arbitrator or umpire, or of an excess of authority which invalidates the whole arbitration, the award is a final and conclusive judgment on all matters referred by the submission as between the parties, and the court will not interfere with it either by altering or amending it.

An award requires stamping as follows:—

	£	s.	d.
Where the amount or value does not exceed £5	0	0	3
Ditto £10	0	0	6
Ditto £20	0	1	0
Ditto £30	0	1	6
Ditto £40	0	2	0
Ditto £50	0	2	6
Exceeds £50, and does not exceed £100	0	5	0
Ditto £100 Ditto £200	0	10	0
Ditto £200 Ditto £500	0	15	0
Ditto £500 Ditto £750	1	0	0
Ditto £750 Ditto £1,000	1	5	0
Exceeds £1,000, and also in all other cases not above provided for	1	15	0

B. This letter occurs in various abbreviations. The following are the principal:—

B/E, Bill of Exchange.
B/L, Bill of Lading.
B/P, Bill of Parcels, or Bills Payable.
B.P.B, Bank Post Bill.
B/R, Bills Receivable.
B/S, Bill of Sale.

BACK-BOND. (Fr. *Hypothèque*, Ger. *Hypothek*, Sp. *Hipoteca.*)

A bond given by one who is absolute owner of a property so as to reduce his right to that of a trust, his original right to be given back on payment of the money borrowed on the bond.

BACKED-NOTE. Fr. *Permis d'embarquement*, Ger. *Ladeschein*, Sp. *Guias.*)

A receiving note bearing the indorsement of a ship-broker. It is an authority for goods to be brought in barges alongside a ship, and for the officer in charge of the vessel to take them on board.

BACKWARDATION. (Fr. *Déport*, Ger. *Deportgeschäft*, Sp. *Interés que paga el bajista.*)

There is said to be a backwardation on securities when they can be bought cheaper for the account than for money. The term is also used to represent the rate of interest, either of so much per share, or so much per cent., charged or allowed for carrying forward a bear transaction to the next settlement.

BAHAMAS (BRITISH). The Bahamas are a group of six hundred islands to the south-east of Florida and the north-east of Cuba. Many of these are mere uninhabitable rocky peaks, and only about twenty of them are of any commercial consequence. These are generally level, of coral limestone, with a sandy soil.

Nassau, on the island of New Providence, is the capital. Other important islands of the group are San Salvador, Grand Bahama, Long Island, Harbour Island, Great Inagua, and the Andros Islands.

The products of these islands from the soil consist of oranges, pine-apples, tomatoes, mahogany, ebony, satin-wood, and preserved fruits; the sea is made to yield its sponges, turtle-shells, and salt. Under the encouragement of the Government, the cultivation of sisal hemp, a native fibre of Yucatan, is increasing. Hitherto the export of sponges has been the leading source of income in the Bahamas. A considerable amount of profit is derived from American tourists, for many of whom these islands afford a winter resort. There is direct steamship communication with New York. The population, of about fifty-five thousand, is two-thirds black. San Salvador is said to have been the land first sighted by Columbus on his voyage of discovery in the year 1492.

Mails are despatched twice a week, and occupy eleven days in transit. The cost of telegrams is 2*s.* 5*d.* per word.

BAIL. (Fr. *Caution*, Ger. *Bürge, Bürgschaft*, Sp. *Seguridad.*)

(1) The person who is surety for the appearance of another in a court of justice to answer a charge made against him, in order that he may be liberated in the meantime.

(2) The security given.

The word is derived from the low Latin, *baila*, a nurse, or the Old French *bail*, a guardian or tutor.

BAIL-BOND. (Fr. *Caution*, Ger. *Bürg-*

schaftsschein, Sp. *Garantia.*)

The bond given by a prisoner and his surety upon the prisoner being bailed.

BAILEE. (Fr. *Dépositaire*, Ger. *Depositar*, Sp. *Depositario.*)

The person to whom goods are delivered in trust upon a contract.

BAILER or BAILOR. (Fr. *Déposant*, Ger. *Deponent*, Sp. *Fiador.*)

The person who delivers goods to another in trust.

BAILIFF. (Fr. *Huissier*, Ger. *Gerichtsvollzieher*, *Verwalter*, Sp. *Aguacil del Juzgado.*)

The literal meaning of this word is one who has goods placed under his bail or control. The modern meanings are :—

(1) An agent, or an overseer acting on behalf of a superior. The word is derived from the middle Latin *ballivus*, from the classical Latin *bajulus*, and signifies a burden-bearer. In this sense it is now usually applied in particular to a land steward.

(2) A legal officer, acting under the sheriff, who is employed for the purpose of making arrests, levying executions, or distraining for rent. The sheriff himself is the King's bailiff, and his county is called his bailiwick.

A bailiff of a county court is one who acts under the supervision and direction of an official of the court, called the High Bailiff. No person can act as such without obtaining a certificate of fitness from a county court judge, and the certificate will be cancelled if the judge is satisfied that there has been any irregularity or misconduct on the part of the bailiff. The bailiff must produce his certificate on demand.

The fees to which a bailiff is entitled are set out in the following table. The table itself, together with a list of the certified bailiffs of the district, must be posted up in every county court office.

TABLE OF FEES, CHARGES, AND EXPENSES.

I. *Distresses for rent where the sum distrained for is more than* £20.

For levying distress : 3 per cent. on any sum exceeding £20 and not exceeding £50 ; 2½ per cent. on any sum exceeding £50 and not exceeding £200, and 1 per cent. on any additional sum.

For man in possession, 5*s.* per day ; to provide his own board in every case.

For advertisements, the sum actually and necessarily paid.

For commission to the auctioneer : on sale by auction, 7½ per cent. on the sum realized not exceeding £100 ; 5 per cent. on the next £200 ; 4 per cent. on the next £200, and on any sum exceeding £500, 3 per cent. up to £1,000, and 2½ per cent. on any sum exceeding £1,000. A fraction of £1 is in all cases reckoned as £1.

Subject to settlement by the registrar in case of dispute, reasonable fees, charges and expenses where the distress is withdrawn, or where no sale takes place, and for negotiations between landlord and tenant respecting the distress.

For appraisement, on the written request of the tenant, whether by one broker or more, 6*d.* in the £ on the value as appraised, in addition to the amount of the stamp.

II. *Distresses for rent where the sum distrained for does not exceed* £20.

For levying distress, 3*s.*

For man in possession, 4*s.* 6*d.* a day ; to provide his own board in every case.

For appraisement, on the written request of the tenant, whether by one broker or more, 6*d.* in the £ on the value as appraised, in addition to the amount for the stamp.

For all expenses of advertisements, if any, 10*s.*

Catalogues, sale and commission, and delivery, 1*s.* in the £ on the net produce of the sale.

Subject to settlement by the registrar in cases of dispute, if the goods are removed at the request of the tenant, the reasonable expenses attending such removal.

BAILMENT. (Fr. *Dépôt*, *Rémise*, Ger. *anvertrautes Gut*, *Depositum*, Sp. *Entrega de alguna cosa á tercera persona*, *Depósito.*)

The delivery of a thing in trust for some special object or purpose, and upon a contract, express or implied, to conform to the object or purpose of the trust.

Lord Holt divided bailments into six classes : *depositum*, *mandatum*, *commodatum*, *vadium*, *locatio rei* and *locatio operis faciendi*. Of these the first two are for the benefit of the bailor alone, the third for the benefit of the bailee, and the remainder for the mutual benefit of the bailor and bailee.

(1) *Depositum.* This is the delivery of goods to be taken care of for the bailor, the bailee receiving nothing for his trouble, e.g., the common case of one neighbour asking another to take care of articles of value during the absence of the former from home. The bailee has no right to use the articles deposited.

except at his own risk, and must return them on demand. Whilst they are under his charge he is only responsible for gross negligence, and the question of the amount of negligence will generally depend upon the particular facts of the case. Thus, a bailee cannot be held responsible for a theft of the goods deposited, which happened through no fault of his own, nor for loss arising out of the action of third parties, nor for the consequences of a mere accident, such as fire. In a recent case the plaintiff brought an action to recover damages for the loss of an overcoat through the negligence of the defendant, a restaurant keeper. It appeared that the plaintiff entered the restaurant for the purpose of dining, and that a waiter took his overcoat from him, without being requested to do so, and hung it on a peg behind the plaintiff. The coat was stolen. It was held that there was evidence to warrant a verdict for the plaintiff on the ground that there was evidence from which a jury might find that the defendant was a bailee of the overcoat, and that he had been guilty, through his servant, of negligence while it was in his custody. On the other hand, where an author sent a manuscript play to a theatrical manager, and the latter lost it, in the absence of any evidence of wilful negligence it was held that the manager could not be held responsible for the loss.

If money is deposited for safe custody, as distinguished from money deposited by way of a loan, no right of action to recover the same arises until a demand has been made by the depositor, and therefore the Statute of Limitations only runs from the date of the demand.

(2) *Mandatum.*—This is the delivery of goods for the purpose of something being done with them, the bailee not being remunerated for his trouble. Unless there is a special undertaking on the part of the bailee to be responsible for the goods handed to him, he is only liable, as in *depositum*, for gross negligence. But he must use any special skill that he happens to possess. In an old case a horse was delivered to the defendant by the plaintiff in order that the former should ride him and show him for sale. It was shown that the defendant was a person conversant with horses, and in an action brought by the plaintiff for injuries sustained by the horse through the negligent riding of the defendant, it was held that the defendant was liable although he did not receive any reward for his services.

(3) *Commodatum.*—This is the lending of an article or articles to be returned in the same condition as at the time of the loan, reasonable wear and tear excepted. If the article or articles to be returned are not the identical ones lent, but others of equal value, e.g., postage stamps or money, the bailment is said to be *mutuum*, and not *commodatum*.

Since the benefit of such a bailment is for the bailee alone, he is responsible for the slightest negligence. But if the articles perish by inevitable accident he will be excused. This is only true as to *commodatum*. In *mutuum*, on the other hand, the right of property and the risk pass immediately upon delivery to the bailee, and he must restore the equivalent to the bailor whatever happens.

It is the duty of the bailor to inform the bailee of any known defects in the articles deposited.

The bailee has no lien upon the goods lent to him for any antecedent debts due to him, and he is not entitled to retain them until the bailor pays the expenses to which he has been put in connection with their custody.

(4) *Vadium.*—This is the contract of pawn. (See *Pawn* and *Pawnbroker.*)

(5) *Locatio rei.*—The deposit of goods upon hire. The degree of negligence for which a hirer is answerable is intermediate between that of the first two and the third of the class of bailments. The test may be laid down to be the degree of care which might be expected from a prudent man in dealing with his own property. The terms of the bailment will be generally indicated in the hiring agreement, and the bailee must not do anything inconsistent with these terms, otherwise the bailment is at an end.

There is an implied warranty on the part of the letter that the goods hired are reasonably fit for the purpose for which they are supplied, and that they are free from all unreasonable defects. (See *Hire Purchase.*)

(6) *Locatio operis faciendi.*—The deposit of goods upon which labour is to be bestowed, and for which the bailee is to be remunerated. To bailees of this class belong wharfingers, carriers, etc. The measure of liability is generally the same as in *locatio rei*, but this may be increased by reason of the known or professed skill of the bailee.

BALANCE. (Fr. *Balance, Solde d'un*

Compte, Ger. *Saldo*, Sp. *Saldo*.)

This, in banking accounts and commercial statements, is the difference between the two sides of an account, or the sum required to make the debtor and credit sides equal in amount.

In the weekly report of the Bank of England it is called the "rest"—the word balance does not appear.

BALANCE OF TRADE. (Fr. *Balance du commerce*, Ger. *Handelsbilanz*, Sp. *Balance*.)

The difference between the money value of the exports and the imports of a particular country. The balance is erroneously, and without meaning, said to be in favour of, or against a country according as the exports or the imports are in excess of each other. The balance of trade regulates the rate of exchange, but it is impossible to draw conclusions from it either as to the positive gain of a country, or as to its gain relatively to that of the country which the balance arises.

"There is," says M'Culloch, "no jugglery in commerce. Whether it is carried on between individuals of the same country, or of different countries, it is, in all cases, founded on a fair principle of reciprocity. Those who will not buy need not expect to sell, and conversely. It is impossible to export without making a corresponding import. Nothing is obtained from a foreigner gratuitously; and, hence, when restraints are placed upon importations, there is, by the very act, a similar restraint placed upon exportations to an equivalent amount in value. All that the exclusion of foreign commodities ever effects is the substitution of one sort of demand for another.

"It has been said that when we drink ale and stout we consume the produce of British industry, whereas, when we drink port or claret we consume the produce of the industry of the Portuguese or French, to the obvious advantage of the foreigner and the prejudice of our own fellow countrymen; but this is not so. We either send directly to Portugal or France an equivalent in British produce, or we procure bullion and send that bullion to the Continent to pay for the wine. Hence, it is as clear as the sun at noonday, that the Englishman who drinks only French wine gives, by occasioning the exportation of a corresponding amount of British corn, hardware, leather, or other produce, the same encouragement to the industry of his countrymen that he would were he only to consume British produce."

It is immaterial whether money or native produce is given in exchange for imported goods. At the same time, it must be understood that when money is given, there must exist some active industry in the country by which the money is realized. As a general question in commerce it is of no consequence what is the nature of the industry by which the money is produced. It may consist in—

(1) Raising superabundant crops, or other raw produce, such as meat, for export, as in the case of Australia, New Zealand, and Canada.

(2) Manufacturing raw and comparatively valueless materials into articles of value and demand, as in the case of the United Kingdom.

(3) Carrying goods from one country to another, as is again the case with the United Kingdom.

Unless a country possesses one or more of these branches of industry it is without the means of paying for imported articles, and must retire from the field of general commerce.

The United Kingdom has not a large enough area to export superabundant crops of grain; but it possesses, in an extraordinary degree, the means of manufacturing raw materials, such as cotton, wool, flax, minerals, etc., into articles of exchange; and it derives no inconsiderable profit from the carriage of commodities.

British manufactured goods, therefore, pay for imports of foreign articles, including bullion, or the raw material of money; and these, again, in a manufactured state, are a fund for the payment of still further imports. Thus, the wealth of the country has increased, and is still on the increase.

The attainment of a favourite balance of trade was, for many years, regarded as an object of the greatest importance. The precious metals, in consequence of their being used as money, were long regarded as the only real wealth that could be possessed by individuals or by nations; and as countries without mines could only obtain supplies of these metals by exchanging exported products for them, it was concluded that, if the value of the commodities exported exceeded that of those imported, the balance would have to be paid by importing an equivalent amount of the precious metals, and conversely. A very large proportion of the restraints

imposed upon freedom of commerce during the last three hundred years grew out of this notion, which was called the "mercantile system."

The importance of possessing a favourable balance being universally admitted, every effort was made to retain it; and nothing seemed so effectual for this purpose as devising schemes to facilitate the export and to hinder the import of almost all products that were not intended for future export, except gold and silver.

It is now conceded, on all hands, that gold and silver are but commodities in the ordinary sense of the word; that, considered as such, there is nothing exceptional about them; and that it is, in no respect, necessary to interfere, either to encourage their importation, or to prevent their export, for they are the least profitable of all merchandise.

The proper business of a wholesale merchant consists in carrying the various products of the different countries of the world from those places where their value is least to those where it is greatest; or, what amounts to the same thing, in distributing them according to the effective demands.

It is clear that there can be no motive to export any kind of produce unless it is intended to import goods of a greater value; and so an excess of exports over imports, instead of being an indication of advantageous commerce, is exactly the reverse. As the late Professor Thorold Rogers said: "A vast excess of imports over exports does not mean that the country is spending more than it receives, but just the contrary, receiving more than it spends, and receiving it in the most advantageous manner."

The truth is that unless the value of imports exceeds the value of exports, foreign trade cannot be carried on. Were this not the case, that is, were the value of exports always greater than the value of imports, merchants would lose on every transaction with foreigners, and trade with them would speedily be abandoned.

It is almost impossible to compare the real value of imports with the real value of exports. The value of an exported commodity is estimated at the moment of its being sent abroad, and before its cost is increased by the expense of transporting; whereas, the value of a commodity imported in its stead is estimated after it has arrived at its destination; and, consequently, after its cost has been enhanced by the expense of freight, the cost of insurance and the profits of the importer.

Even when a balance is due from one country to another, it is not always evident from the fact that one country is sending gold to the other. The laws which regulate the trade in bullion are not in any degree different from those which regulate the trade in other commodities. Bullion is exported only when its exportation is an advantage, or when it is more valuable abroad than at home.

The value of the imports of the United Kingdom has been vastly in excess of that of the exports for nearly half a century. The large excess of the imports is accounted for in the following manner. It includes—

(1) The interest on British capital invested abroad. It is computed that the amount of capital so employed exceeds three thousand millions sterling.

(2) The cost of carriage, which is nearly monopolized by this country, the profit of which amounts to about fifty millions annually.

(3) Sundry payments and earnings, such as trade profits.

BALANCE SHEET. (Fr. *Bilan*, Ger. *Rechnungsabschluss*, Sp. *Hoja del saldo.*)

A commercial document showing a summary and balance of accounts. Every man of business, even if only for his own satisfaction, makes up a balance sheet annually. The document should show

(1) The value of all goods, etc., possessed by the merchant;

(2) The money debts owing;

(3) The value of other property belonging to him; and

(4) A complete list of all debts and other obligations due by the merchant.

"A full and fair balance sheet must be such a balance sheet as to convey a truthful statement as to a company's position. It must not conceal any known cause of weakness in the financial position, or suggest anything which cannot be supported as fairly correct in a business point of view."

By statute every limited banking company, and every insurance company, deposit, provident or benefit society, must, before it commences business, and also on the first Mondays of February and August, make a statement of its capital, liabilities and assets, in a prescribed form. A copy of the same must be posted in a conspicuous place in the registered office of the company, and in every branch or place where the

business of the company is carried on.

BALANCING BOOKS. (Fr. *Établir une balance*, Ger. *Bücherabschluss*, Sp. *Balanzar los libros.*)

The periodical closing and adjusting of all accounts in the ledger by bankers, merchants and traders, for the purpose of ascertaining the profits or losses made during a certain time.

BALE. (Fr. *Balle*, Ger. *Ballen*, Sp. *Fardo.*)

A ball, bundle, or package of goods.

BALLAST. (Fr. *Lest*, Ger. *Ballast*, Sp. *Lastre.*)

This term, which is derived from two Anglo-Saxon words, *bat*, a boat, and *läst*, a load, may mean either—

(1) Heavy matter placed in the hold of a ship to keep it steady when it has no cargo, or when the cargo is of low specific gravity; or

(2) The sand or gravel laid between railway sleepers to give them solidity.

BALUCHISTAN. This country lies between Afghanistan and the Arabian Gulf. There is scarcely anything that can be called a government. The lawless Baluchs divide their time between tending their flocks and plundering their neighbours.

In theory the people are subjects of the Khan of Khelat. Of late years the British have encroached upon the country, and have gradually come to speak of it as a "dependent state." The influence of the British political agent, who is appointed by the Governor-General of India, is paramount, and Baluchistan cannot be considered as independent, even in regard to its internal administration. They have similarly brought parts of the Afghan territory into their "sphere of influence," regarding the control of the region south of the Hindoo Koosh range as necessary to secure British India from possible Russian aggression.

The surface of Baluchistan is elevated and rugged, and, except in the valleys, barren and almost waterless. Dried fruits and vegetable dyes are exported to the cities of India.

Khelat, the only considerable town, is the capital. It is situated in the northern part, at a point 7,000 feet above the sea-level.

There is railway communication through the Bolan Pass with the cities of Northern Hindostan.

BANCO. (Fr. *Banco*, Ger. *Banko*, Sp. *Banco.*)

The literal meaning of this word is a bench or a bank. It is a term used to distinguish the standard money in which a bank keeps its accounts from the current money of the place.

BANCO, SITTING IN. (Fr. *Pleine cour*, Ger. *Kollegialgericht*, Sp. *Reunión en pleno.*)

The term applied to the judges at the Law Courts when sitting together in a superior court of common law, as distinguished from a judge sitting at Nisi Prius, or on circuit. The principal business of courts in banco is now carried on in the Divisional Courts of the High Court, which consist, at the present time, of three judges.

BANK. (Fr. *Banque*, Ger. *Bank*, Sp. *Banco.*)

A bank was originally a bench set up in the market-place for the exchange of money. In a commercial sense it is an establishment where money is received on deposit, to be repaid on demand, or otherwise as may be arranged, and where loans are negotiated, bills discounted, and other financial business conducted. Bankers also act as monetary agents for customers not engaged in business, receiving payments from dividends and other sources, and taking charge of valuable property and securities. Some banks are banks of issue; that is, they are empowered, under certain restrictions, to issue notes, payable on demand. In many cases, especially with joint-stock banks, a small interest is paid by the bank for deposits of a permanent character, which can be employed to advantage. The deposits, over and above a certain sum which a banker must have at hand to meet daily claims, are advanced in various ways as loans. The best and safest mode of employing such funds is considered to be in the discounting of good mercantile bills of exchange; that is, bills representing *bonâ fide* transactions of trade and commerce. A banker sometimes makes advances upon the deposit of exchequer bills or other government securities, railway debentures, bills of lading, dock warrants, and such like. If depositors have the power of demanding the amount of their deposits without notice from the banker, while he usually makes his advances for a fixed or definite period, it is evident that he must always have on hand a considerable sum uninvested, or invested in such a manner, as in the public funds for instance, that it can be immediately realized to meet such claims. The amount necessary for this purpose is known as the banking

reserve. Sometimes a run is made upon a bank, either from some feeling of distrust in the bank itself, or from the occurrence of a commercial panic, and depositors eagerly desire the return of all their deposits. To prepare for this possibility, there must be a far larger reserve than would in ordinary case be required; and the surplus over the amount likely to be needed under ordinary circumstances is generally deposited in the Bank of England.

In banks of issue, where the banker is at liberty to issue bank notes to a certain amount, it is evident that the profit derived therefrom is equal to the interest upon the difference between the average amount of notes in circulation and the amount of specie required to be kept to meet them, less the expense of their manufacture. If, however, a banker was obliged to keep dead stock or bullion equal to the amount of his notes in circulation, he would make no profit. But for a banker in good credit, it is considered that a fourth or a fifth part of this sum is usually sufficient.

Besides serving as places for the safe custody of money, and allowing interest on deposits, banks are of great use in affording a safe and rapid means of transference of money from one place to another. A debtor in Edinburgh or Dublin pays to his banker there the sum which he wishes to convey to his creditor in London. The banker, for a small commission, furnishes him with a draft, or letter of credit for the amount on a banker in London, from whom the creditor, on presenting the draft, receives the sum of money.

The primary division of banks is that just noticed, viz., banks of deposit and banks of issue. Another division, according to their formation, is into joint-stock banks, and private banks. The Bank of England is a peculiar corporation, and differs in many respects from all other banks. (See *Bank of England.*)

In Scotland the system of banking developed more quickly than in England. The Bank of Scotland was instituted in 1695, one year after the foundation of the Bank of England. There are two other banks incorporated by charter—the Royal Bank, in 1727, and the British Linen Company, in 1746—seven joint-stock, but no private banks. It is customary to allow interest on current accounts throughout the country, and as a result the banks are the holders of practically the whole of the capital of the country, except that which is passing from hand to hand. One pound notes are circulated, as well as notes for any number of pounds without a fraction. These notes, which are issued by a branch Scotch bank, are only payable at the head office.

In Ireland there is the National Bank, established in 1783, with powers somewhat akin to those of the Bank of England, nine joint-stock banks, and two private banks. Of the nine joint-stock banks six are banks of issue. Notes for one pound, and for any exact number of pounds are in circulation. These notes are payable at the place of issue, as well as at the head office when issued at a branch of the bank. On this account the branches of Irish banks are compelled to keep sufficient gold in hand to meet their own notes.

Banker and Customer.—The relationship between a banker and his customer is simply that of debtor and creditor; but by the custom of bankers there is added the additional obligation on the part of the banker of repaying the debt owing when called upon to do so by the draft or order of the customer.

The banker is in no sense a trustee of the money which he receives from his customer. He has, in fact, bought the money and can use it in any way he pleases, and the customer has only the right to demand back an equivalent sum, either on demand or at a time mutually agreed upon in the case of a deposit. If this were not so, a customer might call upon the banker to account for any profits made by the latter in trading.

From the fact that the relationship is merely that of debtor and creditor, it follows that a banker might, if he chose, take advantage of the Statute of Limitations, and refuse to refund any sum which has been deposited with him for six years and never operated upon by the customer.

The obligation to pay on demand throws a serious liability upon the banker, for if the latter fails to honour a draft of the customer when there is a balance lying at the bank in his favour, whether actually or through arrangements as to an over draft, the banker is liable in an action for damages for the injury done to the credit of the customer.

A banker may not disclose the state of a customer's account without justifiable cause. What cause is justifiable will depend upon the circumstances of

each particular case. But the knowledge of a banker is not privileged, and he may be compelled to give evidence of his knowledge in a court of law. Also the entries in the books of the bank may be called for, though in order to prevent the inconvenience arising from the actual production of the books, certified copies of the entries may be put in evidence, in accordance with the provisions of the Bankers' Book Evidence Act, 1879.

The authority to pay cheques drawn by a customer is determined by the notice of the bankruptcy or death of the customer.

Plate, jewels, and other valuables are often deposited with a banker for safe custody. This is a case of bailment, and the liability of the banker will depend upon the circumstances under which the articles are deposited, and whether the banker is a gratuitous bailee or a bailee for hire. The deposit must be returned to the depositor, and if by any chance the banker delivers the articles placed with him for safe custody to an unauthorized person, he will be liable in an action for damages for conversion. Since it a well-known fact that a banker is a person who has the goods of others in his possession, these goods will not fall within the "order and disposition" clause of the Bankruptcy Act, in case the banker becomes bankrupt. They must be returned to the depositor.

If a banker misappropriates any deposits of a customer, he may be indicted under the Larceny Act, 1861.

Bankers' Lien.—Lien, which is the right to retain possession of a thing until a claim is satisfied, extends to bankers by the Law Merchant. Therefore a banker has a right to retain all securities deposited in his hands by a customer for his general balance, unless there is a special contract to the contrary. He may also go further, and realize the securities in order to pay himself out of the proceeds, as a pawnee.

Bank Manager.—The bank manager is the general agent of the bank, and the bank is responsible for every act done by the manager within the scope of his authority, even for a fraud which is committed in the course of business.

BANK OF DEPOSIT. (Fr. *Banque de Dépôt et Consignation*, Ger. *Depositenbank*, Sp. *Banco de Depósito.*)

A bank which receives money, at an agreed rate of interest, on condition that a certain prescribed notice shall be given previous to withdrawal. By this plan the necessity of keeping a large sum on hand, earning no interest, is avoided; there is no necessity to prepare for a sudden emergency; and the capital can be invested in securities paying a higher rate of interest than is given by the public funds or other securities which can be immediately realized.

BANK OF ISSUE. (Fr. *Banque de circulation*, Ger. *Notenbank*, Sp. *Banco de emision.*)

A bank which issues its own notes payable to bearer on demand. The Bank of England has a monopoly in the issue of notes in London and for sixty-five miles round. Beyond that limit the monopoly is shared with all banks which were established before 1844, and have not since lost their privileges. No new bank of issue can now be formed.

Shareholders in a bank of issue are liable for the amount of notes outstanding, in case of insolvency, although the bank itself may have been registered with limited liability under the Companies Acts.

BANK BILL. (Fr. *Mandat de Banque*, Ger. *Bankanweisung*, Sp. *Letra de Cambio.*)

A bill of exchange issued or accepted by a bank.

BANK OF ENGLAND. (Fr. *Banque d'Angleterre*, Ger. *Bank von England*, Sp. *Banco de Inglaterra.*)

The Bank of England, which is the largest and most important banking establishment in the world, was projected by William Paterson, a Scotsman, and it received its charter of incorporation in the year 1694. It was constituted as a joint-stock company with a capital of £1,200,000, that sum being lent at interest to the Government of the day.

According to its charter, the management of the Bank of England is committed to a governor, deputy governor, and twenty-four directors, elected by the stockholders. At first the charter of the bank was for eleven years only; but in consequence of the great services it has rendered to the Government at various times, its charter has been renewed again and again, the last time being under the Bank Charter Act, 1844. The original capital of £1,200,000 was gradually augumented until, in the year 1816, it reached the sum of £14,553,000, upon which the stockholders draw dividends, and at this sum

it still remains. The profits of the bank arise out of traffic in bullion, discounting bills, interest on loans, allowances for managing the public debt, and so on.

The bank has, besides, at different times, paid other dividends, under the name of bonuses. A bonus is a sum of money derived from the division of a fund which has been allowed to accumulate or remain for use in case of emergency. The emergency having passed, the fund has been divided, and such bonuses of the Bank of England have varied from five to ten per cent.

The Bank of England differs from any other bank in this country, inasmuch as it is the banking house of the Government. All the money drawn in the form of taxes or otherwise for the public service is consigned to the bank, while all drafts for the public service are likewise made on it.

A special advantage conferred on the Bank of England is the privilege of being the only bank in London, or within sixty-five miles of it—subject to a slight exception—which may issue notes payable to bearer on demand, its notes being a legal tender by any one except itself for any sum.

BANK HOLIDAYS. (Fr. *Fêtes légales*, Ger. *Bankfeiertage*, Sp. *Fiestas anuales.*)

By an Act of Parliament passed in 1871, certain days were appointed as holidays. In England and Ireland they are Easter Monday, the Monday in Whitsun week, the first Monday in August, the 26th December (if a week-day), and any other day appointed as such by royal proclamation. In Scotland the following days are statutory bank holidays: New Year's Day, Christmas Day (or, if either of these falls on a Sunday, the next following Monday), Good Friday, the first Monday in May and the first Monday in August. Days appointed by royal proclamation as bank holidays apply to Scotland as well as England and Ireland.

BANK, JOINT-STOCK. (Fr. *Banque anonyme*, Ger. *Aktienbank*, Sp. *Banca Anonima.*)

A bank in which the capital is subscribed by the shareholders as distinguished from a private bank, in which the capital is provided by the partners.

Every bank which originally consisted of more than six members was called a joint-stock bank, and was founded on the principle of unlimited liability. The oldest of this class are the London and Westminster, founded in 1834, the London Joint-Stock, 1836, the Union, 1839, and the London and County, also 1839. But owing to the restrictions of the Companies Act, 1862, which prohibited the establishment of any banking company, unless registered under the Act, or formed in pursuance of some special Act, or of letters patent, consisting of more than ten persons, and the provisions of the Companies Act, 1879, the majority of joint-stock banks have now become registered, and the principle of limited liability applies to them as to joint-stock companies.

The limitation of liability of a registered joint-stock bank does not extend to the note issue in the case of banks of issue.

BANK NOTES. (Fr. *Billets de Banque*, Ger. *Banknoten*, Sp. *Billetes de Banco.*)

Bank notes are promissory notes issued by a bank, payable to bearer on demand. They differ from ordinary promissory notes in various respects, the chief being that they may be reissued after payment. But this is not the practice of the Bank of England. Their notes are never reissued, but after payment in are cancelled, kept in safe custody for five years, and then destroyed.

The privilege of issuing bank notes is exclusively reserved to the Bank of England for the city and within a circle of three miles round, and the monopoly within a sixty-five mile radius is only shared by those banks which enjoyed the right of issuing notes up to May 6, 1844, and have not since lost their privileges.

No notes may be issued for a less sum than five pounds in England. In Scotland and Ireland notes may be issued, by banks of issue, for any number of pounds, from one upwards.

Bank of England notes are legal tender in England, except at the Bank itself or at one of its branches. They are not legal tender in Scotland or Ireland, although they circulate with the utmost freedom. Country notes are not legal tender, and a country banker is not bound to accept his own notes, even in payment to himself.

Since bank notes are negotiable instruments, the finder of a lost note is entitled to retain it against the whole world, except the rightful owner, and any one who takes such a note from the finder *bonâ fide* and for value can retain it even against the lawful owner. The same thing applies to a note which has been stolen and afterwards negotiated provided the holder has taken it in good

faith and given value for it. There is not much efficacy in the so-called "stopping the payment" of bank notes. If notice is given to a bank that notes have been lost or stolen, it may be possible to trace the channels through which they have passed since they were last in the possession of the rightful owner, but a *bonâ fide* holder is in no way prejudiced or liable to restore them.

Bank notes are often cut into halves and remitted by post under different covers. The halves must be pasted together before being presented for payment. This mutilation does not affect the negotiability of the notes, whereas a banker would refuse payment of a cheque or a bill which had been torn in any way.

BANK POST BILLS. (Fr. *Mandats de Banque*, Ger. *Bank-Post Wechsel*, Sp. *Giros al Portador.*)

These are bills which can be obtained at the Bank of England and any of its branches, free of charge for any sum of money, between £10 and £1,000, payable to order, upon depositing the sum for which the bill is required. Such bills are payable seven days or sixty days after sight, and are not subject to days of grace.

The following is the form of such a bill:—

"BANK OF ENGLAND POST BILL.
No ———

London, January 1, 1903.

At seven days' sight I promise to pay this my Sola Bill of Exchange to Samuel Johnson, or order, one hundred pounds sterling, value received of Thomas Robinson.

For the Governor and Company of the Bank of England,

£One Hundred. A.—— B.—."

The seven days' interest for the use of the money is accepted by the Bank as sufficient remuneration for their part in the transaction.

These bills originated in 1738 in consequence of the frequent robberies of the mail, the object being that in case the mail was robbed the owner of the bill might have time to give notice of the robbery, and prevent payment being made to an unauthorized person.

BANK, PRIVATE. (Fr. *Banque privée*, Ger. *Privatbank*, Sp. *Banco local.*)

A private bank is one carried on by an individual, or by a number of persons not exceeding six in number. It is simply an ordinary partnership. The law of partnership applies in case of insolvency, and each partner is liable to the creditors of the bank to the full extent of his property. Owing to the large amount of capital required for banking purposes, no private bank has been established for many years.

BANKER. (Fr. *Banquier*, Ger. *Bankier*, Sp. *Banqueros.*)

A person employed in the business of banking.

The general duties of a banker, his mode of transacting business, and his relationship to the customers of the bank are given under *Bank*.

For the consideration and discussion of matters of interest to bankers, and for the purpose of affording opportunities for the acquisition of a knowledge of the theory of banking, the Institute of Bankers was founded in 1879. Papers on banking and financial subjects generally are read from time to time, and discussions take place before the Institute, whose official publication is the *Journal of the Institute of Bankers*. There is an annual examination for the certificate of the Institute, which attracts a large number of candidates. The offices are situated at 34, Clement's Lane, Lombard Street, E.C.

BANK RATE. (Fr. *Taux*, Ger. *Bankdiskont*, Sp. *Tipo Bancario.*)

The name given to the price at which the Bank of England expresses its willingness to grant loans, or to discount bills of exchange. The rate is fixed weekly by the directors of the Bank.

Periodical financial conditions of the money market will cause the rate to vary from time to time, but the main reason for the variation is the supply of, and demand for, gold. Gold will always tend to go in the direction where it can be most profitably employed, and it is of the utmost importance for the Bank to take care that its reserve stock of gold and bullion is not too far reduced, seeing that it is upon that reserve that our whole commercial system practically depends.

BANK RETURN. (Fr. *État de Banque*, Ger. *Bankausweis*, Sp. *Estado del Banco.*)

The weekly report issued by the Bank of England, every Thursday afternoon, showing the financial condition of the Bank. The form and the details of the report are prescribed by the Bank Charter Act of 1844. In the return is shown the amount of notes in circulation, the stock and bullion in reserve, and such other matters as enable city men to judge of the state of the money market and of its probable tendency.

The following is a copy of the return for the week ending September 10, 1902:—

Issue Department.

Dr.	£
Notes issued	53,399,920
Cr.	**£**
Government debt	11,015,100
Other securities	7,160,000
Gold coin and bullion	35,224,820
	£53,399,920

Banking Department.

Dr.	£
Proprietors' capital	14,553,000
Rest	3,744,200
Public deposits	9,086,151
Other deposits	39,231,110
Seven-day and other bills	205,121
	£66,819,582
Cr.	**£**
Government securities	14,494,260
Other securities	26,178,244
Notes unemployed	23,826,125
Gold and silver coin	2,320,953
	£66,819,582

The first item mentioned in the return, notes issued, means the amount of Bank of England notes circulating in the country, or held in reserve by different banks.

The Government debt is the amount owing to the Bank of England by the Government. It was originally £1,200,000, the first capital of the bank, when it was established in 1694. It has stood at its present total, £11,015,100, since 1816.

"Other securities" are the interest bearing investments, selected by the directors. These vary in value from time to time.

The gold coin and bullion item sufficiently explains itself.

In the banking department the proprietors' capital is the same as what is known as the share capital in joint-stock banks. It has remained invariable since 1816.

The "rest" is the reserve kept by the bank for the payment of dividends to the proprietors. It is always kept at a total exceeding three millions, and the excess over that sum is the amount paid half yearly in dividends.

Under the head of public deposits are included the moneys paid in on account of the Exchequer, the Savings' Banks, the Commissioners of the National Debt, the Paymaster-General, etc. The Bank of England being the banking house of the nation, all national revenues are paid in by the various collectors as soon as they are received.

The item "other deposits" includes all other sums paid into the bank by various Government offices, the deposits of different banks, and the ordinary banking accounts of individuals.

Seven-day and other bills are known as bank post bills. They represent the money paid into the bank for bills which have been issued.

"Government securities" consist of consols, exchequer bills, treasury bonds and other securities for the due payment of which the Government is responsible. The taxes are a pledge for the fulfilment of the obligation created.

"Other securities" are the investments, etc., made at the discretion of the directors.

The notes are those Bank of England notes which are obtained from the Issue Department, and for which gold coin and bullion are exchanged.

BANK STOCK. (Fr. *Actions de Banque*, Ger. *Bankaktien*, Sp. *Seguridades Bancarias.*)

This is the capital of the banking department of the Bank of England. When the bank was established in 1694, the amount of its capital was £1,200,000, but it has gradually increased, and since 1816 it has stood at the sum of £14,553,000. Any amount of bank stock may be purchased, provided it does not involve the fraction of a penny.

BANKERS' BOOKS EVIDENCE ACT, 1879. (See *Pass Book.*)

BANKERS' CHEQUES. (Fr. *Chèques*, Ger. *Bankierchecks*, Sp. *Talonarios Bancarios.*)

These are cheques issued by one banker upon another, as an easy means for the transmission of money.

BANKERS' CLEARING HOUSE. (See *Clearing House.*)

BANKING. (Fr. *Banque*, Ger. *Bankiergeschäfte*, Sp. *Banca.*)

The business of a banker, such as lending money, receiving deposits, issuing notes, and discounting bills. (See *Bank.*)

BANKRUPT. (Fr. *Failli*, Ger. *Bankerottierer*, Sp. *Quebrado.*)

In colloquial language, a person who is unable to pay his just debts. Legally, a person who has been adjudicated a bankrupt by the Court of Bankruptcy.

BANKRUPTCY. (Fr. *Faillite*, Ger. *Bankerott*, Sp. *Quiebra.*)

The state of being, or the act of

becoming, a bankrupt.

The modern law of bankruptcy is based upon the principle that if a person becomes hopelessly involved in difficulties, and is unlikely to be able to meet his obligations at any time, some effort should be made to extricate him from that position. This is accomplished by dividing the debtor's property equitably among his creditors, and releasing him, under certain conditions, from all future liability as to his past debts and obligations. When his discharge has been obtained, a bankrupt cannot, except on a new consideration, make a binding promise to pay debts from which the Bankruptcy Acts have released him.

The statutes which now deal with the subject are the Bankruptcy Acts of 1883 and 1890, and the Preferential Payments in Bankruptcy Act, 1888.

The courts which administer the law of bankruptcy are the High Court for bankruptcies within the metropolitan district, and the various county courts, if they have had jurisdiction conferred upon them, for bankruptcies within the area of their divisions. A special judge is appointed for the bankruptcy work in London, and he is assisted by officials who are called registrars in bankruptcy. The Board of Trade is also entrusted with very important powers and duties in connection with bankruptcy proceedings.

In considering where proceedings should commence, the residence or the place of business of the debtor is a most important factor. If he has resided or carried on business within the metropolitan district for a longer period during the preceding six months than anywhere else, or if he is resident abroad, or if his place of residence is unknown, the High Court is the proper place in which to present the petition. Otherwise the county court of the district in which he has resided or carried on business for the longest period during the said six months must be selected.

Who may be made Bankrupt.—As a rule any person who has the capacity to contract may be made bankrupt. It is doubtful whether an infant can be made bankrupt at all. If an infant is a member of a partnership firm which is made bankrupt, the infant will be excluded from the proceedings in bankruptcy. But the whole of the partnership assets will be available for the partnership debts. The infant's separate estate, however, will not be touched. A married woman is now, by statute, liable to be made bankrupt, as far as her separate estate is concerned, if she is carrying on a trade separately from her husband. A lunatic can be made bankrupt if the act upon which the petition is founded was committed during a lucid interval, or if his committee (that is, the person who has charge of the lunatic's estate), or the court consents to such a course being taken. A convict may be adjudicated a bankrupt, even after conviction.

Aliens are subject to the bankruptcy laws as well as British subjects. But in order that a petition may be presented against an alien, it must be shown—

(*a*) That he is domiciled in England, or

(*b*) That he has ordinarily resided, or had a dwelling-house or place of business, in England within a year of the presentation of the petition. It has been held, however, by the House of Lords, in the case of *Cooke* v. *Vogeler & Co.* (1901), A.C. 102, that there is no jurisdiction to make a receiving order against a foreigner resident abroad who, without coming into the jurisdiction, has in this country had a place of business, contracted debts, and acquired assets, and has executed abroad an assignment of his property for the benefit of his creditors.

A joint-stock company cannot be made bankrupt; it must be wound up, and the same remark applies to a partnership registered under the Companies Act, 1862. Although a dead man cannot be made bankrupt, his estate may be administered in bankruptcy.

The Petition.—In order that proceedings in bankruptcy may be taken against a person, it is necessary that a petition should be presented to the proper court, either by the debtor himself or by a creditor, and that a receiving order should be made. This cannot be done unless an act of bankruptcy has been committed, that is, unless the debtor has been guilty of some act or default which is deemed to be evidence of his insolvency. The various acts of bankruptcy are set out in the Bankruptcy Acts of 1883 and 1890. (See *Act of Bankruptcy.*) In addition to the petition of the debtor or a creditor, the court may, upon an application for the committal of a judgment debtor, make a receiving order against him instead of committing him.

In order that a creditor may petition

the following conditions must be fulfilled :—

(1) The debt due to him (or to two or more creditors if the petition is presented jointly), must amount to £50 at least.

(2) The debt must be an ascertained or liquidated sum, payable immediately or at a future certain date.

(3) The act of bankruptcy relied on must have been committed within three months previous to the presentation of the petition.

(4) The debtor must be a person who is liable to be made a bankrupt by the law of England.

If the debtor is the petitioner, the court will generally make a receiving order at once. But this is not always the case. In the case of *In re Betts* (1901), 2 K.B. 39, it appeared that the debtor, with the intention of evading committal orders made against him upon judgment summonses, presented a bankruptcy petition against himself, upon which a receiving order was made. He had previously at short intervals and with the same object presented two other bankruptcy petitions upon which receiving orders had been made, and was an undischarged bankrupt under three bankruptcies. It was held that the presentation of the petition by the debtor under such circumstances was an abuse of the process of the court, and that no receiving order ought to be made.

If the petition is presented by a creditor, an affidavit must be filed verifying the facts contained in the petition, a copy of the petition must be served on the debtor, and then the petition will be heard after an interval of not less than eight days from the date of the service. On the hearing the court will make a receiving order or dismiss the petition as it thinks fit.

Whoever presents the petition must pay the stamp duty of £5, and make the deposit required by the bankruptcy rules.

The Receiving Order.—When the court is satisfied with the proof of the facts alleged in the petition, and the debtor is unable to urge any valid reason why the petition should be dismissed, it will make a receiving order against him. The order is served upon the debtor and advertised in the *Gazette*.

The effect of the order is to make the Official Receiver, who is a public officer appointed by the Board of Trade, the receiver of the property of the debtor, and to vest the possession of it in him. It also deprives the creditors of all remedies, except in the bankruptcy, against the latter, unless they are secured creditors, or their debts are not provable in bankruptcy. The court has, moreover, power to stay all proceedings in any action which may be pending at the date of the petition.

After the making of a receiving order, the court may, from time to time, for any period not exceeding three months, order that the letters of the debtor shall be re-directed and delivered through the Post Office to the Official Receiver, or the trustee of the debtor's estate, or otherwise as the court itself may direct.

Statement of Affairs.—The debtor must deliver a statement of his affairs to the Official Receiver. It must be in a prescribed form. It must be prepared and delivered within three days from the date of the receiving order, if the receiving order is made on the petition of the debtor, and within seven days of the date of the receiving order, if the petition has been presented by a creditor. For the purpose of making the statement as clear and full as possible, the Official Receiver may require and compel the personal attendance of the debtor.

Meetings of Creditors.—The making of a receiving order must be carefully distinguished from an adjudication of bankruptcy. Whether this course is to be adopted or not will be decided at one of the meetings of the creditors. In many cases there is but one meeting, and this, the first of a series if there are several, must be held, as a rule, within fourteen days after the date of the receiving order. The principal matter for consideration will be the statement of affairs presented by the debtor, a summary of which, together with any observations upon it made by the Official Receiver, will have been supplied previously to each of the creditors. The debtor must be present, unless good cause is shown to the contrary, at the first meeting at least.

The creditors who are entitled to take part in the proceedings are those who have proved their debts, that is, satisfied the Official Receiver that they have *bonâ fide* legal claims against the estate of the debtor. They may take part either personally or by proxy. (See *Proof of Debts.*)

Three courses are open to the creditors :—

(1) They may agree to accept a composition in satisfaction of their debts. This is always advisable when there is nothing suspicious in the conduct of the debtor, as it saves all the costs of the bankruptcy proceedings.

(2) They may agree to a scheme for the arrangement of the affairs of the debtor. The acceptance or rejection of any such scheme as may be offered by the debtor will depend upon the special circumstances of each case.

(3) They may resolve that the debtor shall be adjudged a bankrupt.

A resolution for the adoption of the first or second course must be carried by a majority in number and a three-fourths majority in value of the creditors present, personally or by proxy. A bare majority in value is sufficient to carry out the third course. In each case the consent of the court must be obtained, and if the composition or the scheme of arrangement is accepted and approved the receiving order is rescinded. (See *Deed of Arrangement.*)

In addition to the resolution of the creditors that a debtor shall be adjudged a bankrupt, there are other reasons which will induce the court to pronounce an adjudication, viz. :—

(*a*) If the creditors at their meeting pass no resolution.

(*b*) If the creditors hold no meeting at all.

(*c*) If the composition or scheme of arrangement falls through.

(*d*) If the debtor has absconded and failed to give a proper account of his affairs.

Notice of the adjudication of bankruptcy must be duly advertised in the *Gazette.*

Public Examination.—This is an ordeal through which every debtor must go, unless the receiving order made against him has been rescinded, or unless he is suffering from such mental or physical affliction or disability as to make him unfit, in the opinion of the court, to attend. The date is fixed by the Official Receiver as soon as possible after the debtor has delivered his statement of affairs. The examination is held in open court, and the evidence is taken on oath. Any questions may be put to the debtor by the Official Receiver as to his conduct, his dealings and his property, and the same privilege is granted to any creditor who has proved his debt. Notes of the examination are taken down in writing, are read over to and signed by the debtor, and may thereafter be used in evidence against him. The examination may be adjourned, and cannot be declared closed until after the first meeting of creditors, or the time appointed for the same if the creditors do not, in the meet.

The Trustee.—The Official Receiver acts for the protection of the property until a trustee is appointed, or during any interval when there is no trustee. The trustee is generally appointed by the creditors, subject to the approval of the Board of Trade. Sometimes the creditors first of all appoint a committee of inspection (*q.v.*), consisting of from three to five members, and the selection of the trustee is left in their hands. In any case the trustee must give satisfactory security for the due performance of his duties. As soon as the appointment is made the whole of the debtor's property passes from the Official Receiver, and vests in the trustee. This is by operation of law. No actual transfer is necessary.

The duties of the trustee are given under the head of Trustee in Bankruptcy.

Realization of the Debtor's Property.—The property which is available to the trustee for the payment of the debts of the bankrupt consists of—

(1) His moveable property, wherever situated. The only deductions allowed are the tools of the bankrupt's trade, and the wearing apparel and bedding of himself, his wife and his children, to the value of £20.

(2) His immoveable property, that is, land and leaseholds, situated within the jurisdiction. That situated elsewhere will not pass to the trustee until a conveyance has been made to him by the bankrupt acting, if necessary, under the order of the court.

(3) Goods belonging to other persons which are, at the commencement of the bankruptcy, in the possession, order, or disposition of the bankrupt. But in order that they may be taken it must be shown that the goods are held in possession in the course of trade or business, with the consent of the true owner, and under such circumstances as to lead to the inference that the bankrupt is the reputed owner. (See *Reputed Ownership.*)

The title of the trustee dates back to the commencement of the bankruptcy and continues until the discharge is granted. And for the purposes of the Act the bankruptcy is held to have com-

commenced at the time of the commission of the act of bankruptcy upon which the petition was founded, and if there are more acts than one then at the time of the commission of the first of such acts within three months of the presentation of the petition.

Certain transactions, however, are "protected." Thus, *bonâ fide* payments to creditors, and conveyances for valuable consideration, made prior to the receiving order, are perfectly valid, and a *bonâ fide* conveyance for value, during the continuance of the bankruptcy, of any other property than real, which has been acquired by the bankrupt, is also valid, unless the trustee has previously intervened. This last exception is known as the rule in *Cohen* v. *Mitchell* (1890), 25 Q.B.D. 262. Again, the personal earnings of a bankrupt, so far as they are required for the maintenance of himself, his wife and his family, are safe from the hands of the trustee, as well as any right of action to recover damages for personal injuries. But if the debtor is in the enjoyment of an official salary or pension, the court may order a portion of the same to be set aside for the benefit of the creditors.

If the bankrupt has a "power of appointment," that is, a right to direct the disposal of any property given to him under any will or settlement, and the power is exercisable by him in his own favour, the court will compel him to exercise the power, and the trustee will take the benefit. But the trustee can make no claim upon property which the bankrupt holds in trust for others, nor upon property which has been settled upon the bankrupt by another person—but not by himself—with a proviso that the same shall pass over to others in case of bankruptcy.

Invalid Assignments of Property.—In addition to the property which devolves upon a trustee, in accordance with what has just been stated, it may happen that the trustee will be entitled to other property of which the bankrupt has made assignments within a period which renders such assignments invalid. It has been already stated that fraudulent preferences made within three months of the date of the receiving order are liable to be set aside. But there are other transactions which may be declared invalid though dating much further back. The principal of these are voluntary settlements. A voluntary settlement is one which is made in consideration of natural love and affection, which although designated "good" in law is not valuable. Settlements made for a valuable consideration, which includes marriage, cannot be set aside except on the ground of fraud. The voluntary settlements affected by the bankruptcy law are (1) those made within two years, (2) those made within ten years of the bankruptcy. The first are absolutely void against the trustee; and so are the second, unless it is shown that at the time of making the settlement the bankrupt was perfectly solvent without taking into consideration the property included in the settlement.

An illustration will make this clearer. A is entitled to, or owns, certain property. If at any time he parts with the same to a *bonâ fide* purchaser, or makes a settlement of it in favour of another person from whom he receives what is equivalent to a valuable consideration—something which is not illusory or a cloak to fraud—the settlement is good, and the trustee in bankruptcy has no claim upon the property. The same rule holds good if the settlement is made before, and in consideration of marriage. But if, for example, after marriage A settles his property upon his wife, without taking any value for it, the settlement is absolutely void if it is made within two years of the commencement of bankruptcy proceedings against him, and it is also void if made within ten years, unless A can clearly prove that at the time he made the settlement his remaining property was sufficient to meet the whole of his existing liabilities.

An invalid assignment cannot be set aside if the property has been transferred by the assignee to a third person for a valuable consideration.

If a creditor has issued execution against the property of the debtor, he cannot retain the benefit of his execution if a receiving order is made before the execution is completed, or while the money realized by the sale of the debtor's goods still remains in the hands of the sheriff.

Disclaimer.—Some of the property of the debtor may be saddled with considerable burdens, and the retention of it would diminish, rather than increase, the total amount of money realizable for distribution amongst the creditors. The trustee is entitled in such a case within certain limits and with proper permission, to disclaim the

Property. The disclaimer relieves the trustee from all responsibility with respect to it. (See *Disclaimer.*)

Secured Creditors.—A creditor who holds a mortgage, charge, or lien upon any of the property of the bankrupt is said to be "secured." The trustee cannot interfere with his security, unless he is willing to pay its estimated value together with an addition of twenty per cent. of such value. But the secured creditor has two courses open to him. He may give up his security and prove in the bankruptcy for the whole of his debt, or he may realize his security, and, if it is insufficient to meet his claim, prove for the difference. At a meeting of the creditors, if the second course has been adopted, the secured creditor can only vote in respect of any balance due to him, and not on account of his whole debt. The creditors who are not protected by securities are called "unsecured creditors."

Distribution of Property.—When the trustee has realized the whole or a portion of the debtor's property, it is his duty to divide it rateably among the creditors who have proved their debts, after making deductions for expenses and preferential claims.

The first of these preferential claims are the expenses connected with the bankruptcy proceedings. They must be paid in full if the assets are sufficient to meet them.

The next are the claims governed by the Preferential Payments in Bankruptcy Act, 1888. They are, (*a*) all rates and taxes due and payable within the twelve months prior to the commencement of the bankruptcy, not exceeding in the whole one year's assessment; and (*b*) the wages and salaries of clerks and workmen employed by the bankrupt, limited, in the case of a clerk, to services rendered during the preceding four months and not exceeding £50, and in the case of a workman to two months' service and £25.

The position of the landlord of the bankrupt is peculiar. If he distrains—and he has no preferential claim unless he does so—within three months of the receiving order, he must pay the preferential creditors out of the proceeds of the distress, and if he suffers any loss he becomes a preferential creditor to the extent of that loss. As against other creditors he can distrain for the whole rent due to him. But if he distrains after the commencement of the bankruptcy he can only do so as to six months' rent accrued due prior to the adjudication. He is in the position of an ordinary creditor as to any balance.

The residue of the property, if any, in the hands of the trustee is payable to the creditors in proportion to their debts. It has been said that a creditor must prove his debt before he is entitled to any dividend. The trustee must be satisfied that the debt is one which is legal and ought to be admitted. If any dispute arises as to the admission or rejection of a debt there is a right of appeal to the court.

Small Bankruptcies.—When it is clear that the value of the estate of the debtor is less than £300, the court may order it to be summarily administered. The Official Receiver acts as trustee throughout, and the proceedings are modified in several respects. Expedition and a saving of expense are thus attained. If again it appears that the whole indebtedness of a person is not more than £50, the court may make an administration order — bankruptcy proceedings not being possible—and compel the debtor to pay the whole or a portion of his debts, either at once or by instalments.

Discharge of Bankrupt.—A bankrupt may apply to the court for an order of discharge any time after the conclusion of his public examination. In considering the application the court will take into account the whole of the facts laid before it, and especially the report of the Official Receiver as to the conduct of the bankrupt and the manner in which he has managed his affairs. It may then refuse an order of discharge absolutely, grant it subject to certain conditions or after a fixed time, or, unless there are statutory reasons to the contrary, grant it immediately.

The court must refuse the discharge if the debtor has committed any criminal offence against the bankruptcy laws. And it must suspend the order for two years at least in the following cases:—

(*a*) When the assets are insufficient to pay a dividend of 10*s.* in the £ to the unsecured creditors, unless this is due to circumstances for which the debtor cannot be held responsible.

(*b*) When proper books of account have not been kept during the three years preceding the bankruptcy.

(*c*) When the bankrupt has continued to trade after knowing that he was insolvent.

(*d*) When debts have been contracted with no reasonable prospect of an ability

to pay them.

(*e*) When a loss or a deficiency of assets has not been satisfactorily accounted for.

(*f*) When the insolvency has been brought about by rash and hazardous speculation, unjustifiable extravagance in living, gambling, or culpable neglect of business.

(*g*) When a creditor has been put to unnecessary expense by a frivolous and vexatious defence to an action properly brought against the bankrupt.

(*h*) When an undue preference has been given to any creditor within three months of the date of the receiving order.

(*i*) When there have been previous bankruptcy proceedings against the debtor, or when he has previously made a composition with his creditors.

(*j*) When the bankrupt has made any fraudulent settlement of his property.

So long as he remains undischarged, a bankrupt suffers from a considerable number of disabilities. He cannot

(1) Sit or vote in the House of Lords, or any committee thereof, or be elected as a Scotch or Irish representative peer;

(2) Be elected to, or sit or vote in, the House of Commons;

(3) Be appointed, or act as, a justice of the peace;

(4) Be elected, or hold the office of mayor, alderman, or councillor;

(5) Be elected, or sit as, a guardian of the poor, overseer, member of a school board, highway board, or burial board;

(6) Be elected, or sit as, a county councillor.

If a person is adjudicated a bankrupt whilst holding any of the last three positions, the office will at once become vacant. The disqualification lasts for five years from the date of the discharge. If the adjudication is annulled the disqualification ceases at once, and it also ceases at once if the debtor obtains his discharge with a certificate to the effect that the bankruptcy was caused by misfortune, without any misconduct on his part.

It is an offence, punishable with two years' imprisonment, for an undischarged bankrupt to obtain credit to the extent of £20 from any person without informing such person of the fact that he is an undischarged bankrupt. To constitute this offence it is not necessary to prove an intent to defraud on the part of the debtor.

One of the reasons for the suspension of the discharge is the chance that the bankrupt may become entitled to property in the meantime, which property will pass to the trustee and be divisible among the creditors. As soon, however, as the discharge takes effect the debtor is released from all debts provable in bankruptcy except—

(1) Debts due to the Crown;

(2) Debts incurred through fraud, or through a fraudulent breach of trust;

(3) Judgment debts in an action for seduction, in affiliation proceedings, or in a matrimonial cause.

If an order of discharge is made to take effect after a certain period, no further application to the court is necessary. As soon as the time fixed has elapsed the discharge is complete.

Annulment of Adjudication.—If a debtor makes an arrangement with his creditors after the adjudication, or if he pays his debts in full, the court will annul the adjudication, and the debtor will be placed in the same position in which he would have been if no bankruptcy proceedings had been taken.

Private Arrangements.—These are often made between the debtor and his creditors in order to save the trouble, expense, and publicity of bankruptcy proceedings. The usual method is for an assignment of the property of the debtor to be made to a trustee or to trustees, and in consideration of the assignment the debtor is discharged from all claims which his creditors have against him. The property is realized and a dividend is paid to the creditors. Registration of the assignment is necessary. It is important that all the creditors should join in the assignment, for only those who are parties to it are bound by it. If one creditor objects, and his debt amounts to £50 or upwards, he can present a petition in bankruptcy, since the assignment is an act of bankruptcy. If bankruptcy proceedings ensue, the arrangement is of no effect. (See *Deed of Arrangement.*)

BARBADOES (BRITISH). Barbadoes the most easterly island of the West Indies, is about 250 miles north-east of Venezuela, and is said to be the most densely populated island in the world. The surface is irregular, but the soil is very productive. The forests have been cut away, so that all the available land may be devoted to one staple crop—sugar. Even tropical fruits have disappeared to make room for sugar planting, until Barbadoes is now dependent upon the

neighbouring islands for its fruit supply. The consequence of this one crop system has been ruin to the planters, and efforts are being made to vary the products by introducing tobacco, indigo and arrowroot. Most of the sugar is exported to the United States.

Bridgetown, the seat of government, with a population of 20,000, is a very important commercial port. It is a station of the West Indies and Panama Telegraph Company, the headquarters of steamship lines to Europe and to the United States, and a port of call for merchant ships in general. It is also the head-quarters of the British forces in the West Indies. The island of Barbadoes is less than the Isle of Man, and the density of the population is more than 1,100 to the square mile.

Mails are despatched twice a month and take twelve days in transit. Telegrams cost 4*s.* 9*d.* per word.

BARGAIN. (Fr. *Marché, contrat*, Ger. *Handel*, Sp. *Ajuste.*)

This term may mean—

(1) A contract or agreement concerning the sale of anything;

(2) Any agreement or stipulation;

(3) A purchase made on favourable terms.

It is derived from the French *barguigner*, to haggle.

BARGAIN AND SALE. (Fr. *Marché, cession*, Ger. *Kauf und Verkauf*, Sp. *Ajuste, convenio.*)

This, in English law, is a contract whereby property, either real or personal, is transferred from one person to another for a valuable consideration. The word assignment is, however, usually used for the transfer of personal property; consequently, bargain and sale may be described as a contract whereby real estate, lands or tenements, whether in possession or in remainder, are conveyed from one person to another for a consideration.

BARRATRY. (Fr. *Baraterie*, Ger. *Barratterie*, Sp. *Barateria.*)

This word, which is derived from the French *barrateur*, a deceiver, has two meanings.

(1) In marine insurance, much the commoner use of the term, it signifies any wrongful act wilfully committed on the part of the master of the ship, or any of the crew, with intent to defraud the owner, charterer, or insurer, whether by running away with the ship, sinking her, unlawfully deserting her, or embezzling the cargo. This is one of the risks usually insured against in marine policies of insurance. The exception, "danger of the seas and fire," often introduced into a bill of lading, does not except liability for barratry, and unless there is an express exemption, shipowners are liable to the owners of the cargo for damage arising from this cause.

(2) Barratry is also a common law misdemeanour, consisting in exciting and stirring up quarrels between the subjects of the King, either at law or otherwise. It is punishable with fine or imprisonment. It must be distinguished from "maintenance," which is the officious intermeddling in suits which do not concern the party, by lending pecuniary or other assistance for the carrying on of the same, and from "champerty," which is an illegal bargain made between one of the parties to a suit and a third party, whereby it is agreed that the latter shall share in the proceeds of the suit if successful, in consideration of affording financial support for continuing it. Each of these offences is a misdemeanour.

BARREL. (Fr. *Baril*, Ger. *Fass*, Sp. *barril.*)

A measure of capacity; also the name of a wooden vessel used for the purpose of storing liquids.

The measure varies greatly in different countries of Europe and America. And its variation depends not only upon the locality, but upon the nature of the liquid. In the old English measures a barrel contained 31½ gallons of wine, 32 of ale, and 36 of beer. The French standard barrel, the *barrique* or cask of Bordeaux, contains 50 English gallons, and the Italian *barile* varies from 7 to 31 English gallons. Solids are in many cases sold by the barrel. Thus, a barrel of butter contains 224 lbs. In America the barrel expresses a certain weight of an article; a barrel of flour contains 196 lbs. of beef, 200 lbs., and of soap, 256 lbs.

BARRISTER. (Fr. *Avocat*, Ger. *Advokat*, Sp. *Abogado.*)

The name given to pleaders at the English and Irish bars, the corresponding Scotch title being advocate.

For litigious work a barrister is unable to maintain an action for his fees, as he is supposed to give his services gratuitously. But it is not quite clear to what extent he may claim remuneration for work which is non-litigious, and yet is of such a character as to require professional knowledge and skill. Conveyancers and special pleaders may sue

for their fees.

A barrister is not liable in an action for negligence, and his speeches in open court are absolutely privileged.

BARTER. (Fr. *Troquer*, Ger. *Tauschhandel*, Sp. *Baratar.*)

This is the exchange of one commodity directly for another, without the employment of money or any other medium of exchange. It is the usual mode of exchange among savage or uncivilized races, and it is likewise generally adopted by civilized nations in trading with savages. The term is derived from the Italian *barattare*, which signifies to cheat as well as to barter. A direct system of barter can only exist in the earliest commercial state of a people; for, as commercial intercourse extends, the necessity of a standard of value becomes apparent, not only to facilitate operations, but to prevent that species of over-reaching which necessarily attends barter. Practically, a considerable portion of the trade with uncivilized countries is still a system of barter, for an exporter sends goods to his agent, who frequently, without touching hard cash in the course of the transaction, lays in a cargo of important goods of the same value, and these are really brought in exchange for those sent out.

BASUTOLAND. A native province of British South Africa, situated north-west of Cape Colony. It lies between Natal, the Orange River Colony, and Cape Colony. The territory is administered by a resident Commissioner, under the High Commissioner for South Africa. The area is 10,293 square miles, and the population about a quarter of a million. Maseru, the capital, is a mere kraal. The country includes the finest grain producing land in South Africa. The chief products are wool, wheat, mealies and Kaffir corn. Gold and other minerals are believed to exist. Europeans and Americans are not allowed to settle in the country without special permission.

There are a few roads which are good enough for any kind of transport. The line of postal communication is through Cape Colony and the Orange River Colony. There are telegraph stations at the various magistracies.

Maseru is 7,668 miles distant from London. Postal communication is via South Africa once a week, the time of transit being twenty-two days. The cost of telegrams is 2*s.* 6*d.* per word.

BAZAAR. (Fr. *Bazar*, Ger. *Bazar*, Sp. *Bazar.*)

This word is derived from the Arabic, and literally signifies the sale or exchange of goods. Among the Turks and Persians it is applied to a market-place, either open or covered, where goods are exposed for sale, and where merchants meet for the transaction of business.

BEAR. (Fr. *Baissier*, Ger. *Baissier*, Sp. *Bajista.*)

A term applied on the Stock Exchange to a person who, having sold stock or shares which he does not possess, is anxious that such securities should decline in value, so that when the settling day arrives, or the time for the delivery of the stock or shares, he may be able to buy the same at a lower price and so realize a profit. On the contrary, a "bull" is a speculator who buys stock or shares with a view of selling the same at a higher price when the day of settlement arrives. The hoped-for difference is the anticipated profit which will accrue. Bulling and bearing are pure speculation, but they are operations fully recognized by the Committee of the Stock Exchange, and the rules with respect to them are rigidly enforced.

It has been suggested that the terms originate from the actions of a bull and a bear respectively. It is the natural method of attack for a bull to toss up with its horns, and for a bear to press down with its paws.

BECHUANALAND. This territory lies between the Molopo River and the Zambesi, and extends westward as far as German South-West Africa, being bounded by the Transvaal Colony on the east. Its area is about 220,000 square miles, and the population is estimated at 200,000. The railway from Cape Town and Kimberley passes through the territory, which is governed by a Resident Commissioner, whose headquarters are at Mafeking. The occupation of the people is mainly confined to agriculture. The capital is Palapye, which is about 7,000 miles distant from London. Mails are despatched every Saturday, via Cape Town, the time of transit being about twenty-three days. The cost of telegrams is 2*s.* 6*d.* per word.

BELGIUM. *Position.*—Belgium, although the smallest country in Europe, ranks fifth among European countries in respect of its trade with the United Kingdom. It lies between France

and Holland, having Germany on the east of it. The coast-line of about forty miles on the west is washed by the North Sea.

Area and Population.—Belgium is one of the most densely populated countries in the world. Although its area is less than 11,400 square miles, the population is nearly six and three-quarter millions, or 575 inhabitants to the square mile.

Configuration.—The general formation of the country is a gradual slope, from the Ardennes highlands on the south-east, to the low-lying districts of the sea-coast and the Netherlands border. A considerable part of the southern coast district of West Flanders is below the level of the sea, and the water is kept out by dykes. In many places also there are dykes along the banks of the rivers to protect the adjacent lands from being flooded. The principal rivers are the Scheldt and the Meuse, both of which take their rise in France, and traversing Belgium, flow, through the Netherlands, into the North Sea. From these navigable rivers the canal system of the country is abundantly supplied.

Canals and Railways.—The system of railways and canals is excellent. The mining and manufacturing towns are connected by rail, navigable rivers, or canals; and some of the canals are the best in Europe. That which connects Brussels with the coal-mining districts crosses several others, forming a waterway, not only to the principal towns of Belgium, but also to the Netherlands and France. Belgium has nearly 3,000 miles of railway, most of which are owned and worked by the state.

Climate and Soil.—In the low-lying districts by the sea coast, the climate is moist and cool. On the higher slopes the winters are very cold and the summers hot. Much rain falls in April and November. The soil is fertile, more than one-half of the country being under cultivation, and one-sixth covered by forests.

Productions.—Belgium is a land of small farms and spade culture, the farming being the best and most productive in the world. Wheat, rye, and oats are the principal cereals, while flax is extensively grown, and the sugar-beet is raised in considerable quantities. Potatoes are grown in all the provinces. Tobacco, hops, chicory, and madder are other field crops.

Horses, cattle, and sheep are the principal domestic animals, and large numbers of these are raised for export as well as for home use. The Belgian Government gives much encouragement to stock-breeding and the improvement of agriculture.

Belgium has great wealth in minerals, particularly in iron and coal of the best quality; and these resources are developed to the greatest possible extent. The principal mining districts are in the southern parts of the country. Zinc, lead, copper and black marble are also found

Industries.—The manufactures of Belgium are varied and extensive. Nearly half a million people are employed in the culture, preparation and manufacture of fabrics made of flax, for Belgium is famous for linen goods of the finest quality, Brussels and Mechlin being the chief centres of this manufacture. Lawn and damasks are noted products of Bruges, and Ypres is one of the great centres of the woollen manufacture. Brussels has a world-wide reputation for its carpets and lace. The principal centres of the cotton manufacture are Ghent, Bruges, Mechlin and Antwerp. Metal working is mainly carried on in the great mining districts of the south and south-east. At Liége firearms, machinery, zinc-ware and tin-ware are made; at Namur there are brass and wire works, and at Charleroi great nail factories. Among the other industries of Belgium are sugar-refining, paper making, as well as manufactures of porcelain and glass. Belgium has considerable coast and deep sea fisheries, principally of herring and cod. The oyster beds are also important.

Commerce.—The foreign commerce of Belgium, which is mainly with the United Kingdom, France, and Germany, is very great, the annual value of its exports and imports being about 237 millions sterling.

The exports to the United Kingdom are valued at 23 millions sterling, the chief articles being shown below:—

	Millions £
Textiles	7½
Glass	1½
Sugar	1
Metals and Metal Goods	2
Food	2½

The imports of British produce and manufactures amount to over 14½ millions sterling, and include textiles, 3½ millions, and metals and minerals, 2 millions.

Cities and Towns.—Brussels, the industrial as well as the political capital of Belgium, is connected by canals with the other principal cities, and by railways with France, Germany, and the Netherlands. The city is famous for manufactures of lace and carpets. Among the other industries of this busy city are manufactures of damask, ribbons, porcelain, and jewellery. Brussels is rather larger than Liverpool, but does not contain as many people as Glasgow.

Antwerp, situated on the estuary of the Scheldt, is not only the principal sea-port of Belgium, but also the transit port for much of the sea-borne commerce of northern Germany, and has a considerable ship-building trade. Among its varied factory products are cotton and linen goods, black silks and sewing silk, gold and silver lace, and carpets. Antwerp is somewhat larger than Edinburgh.

Liége, on the Meuse, a town with a population rather less than that of Newcastle-upon-Tyne, is in the heart of the great coal, iron, lead and zinc mining district, and a great variety of metal wares are made in this city. Liége has a wide reputation for the manufacture of firearms, employing 30,000 men in this industry. It also manufactures steam-engines, saws, files, nails, needles and clocks, besides cotton and woollen goods. It is the chief cattle market of Belgium.

Ghent, a centre of the cotton and leather manufactures, has also sugar refineries, flax-spinning mills, and woollen manufactures. Although an inland city, it does a considerable amount of ship-building, being connected with the sea at the mouth of the Scheldt by a great canal. The docks are capable of accommodating several hundred vessels, and the city has a population about equal to that of Portsmouth.

Foreign Dependencies.—Belgium has neither a navy nor colonies, but the King of the Belgians is, at the same time, sovereign of the Congo Free State, an immense, but thinly peopled tract of country in Central Africa, which exports a few tropical products, such as palm-kernels, palm-oil, india-rubber, copra, and hides.

There are British consular representatives at Antwerp, Brussels, Ghent, Liége, Ostend, and Spa. In addition to the Consul-General in London, Belgium has consular representatives in Aberdeen, Belfast, Berwick, Birmingham, Bradford, Bristol, Cardiff, Dublin, Dundee, Falmouth, Glasgow, Hull, Leith, Liverpool, Manchester, Newcastle, Portsmouth, Queenstown, Sheffield, and Southampton.

Mails are despatched four times daily. The distance of Brussels from London is 224 miles, and the time of transit 8½ hours. The cost of telegrams is 2*d.* per word.

BELOW PAR. (Fr. *Au-dessous du pair*, Ger. *unter Pari*, Sp. *Bajo par.*)

When the price of stocks or shares is lower than the nominal value of the same, they are said to be at a discount, or below par.

BERMUDAS (BRITISH). The Bermudas are a group of more than 300 islands and islets, about 600 miles to the east of the coast of the United States. Only fifteen of the islands are habitable, and on these the soil is thin. The more important are Bermuda, St. George's, Ireland Island, Somerset, and St. David's. There are no fresh-water streams; and the wells being poor, the water supply depends on the rainfall. The area under cultivation is about 4,000 acres. The principal crops are onions and potatoes, and most of the trade is with the port of New York. These islands are of value to the United Kingdom as a naval and military station. The military barracks are at St. George's, on the island of the same name. At Hamilton, on Great Bermuda Island, are the docks, shipyards and store-houses of the naval establishment. A submarine telegraph cable connects these islands with Halifax, Nova Scotia.

Mails are despatched twice a week, Wednesdays and Saturdays. Hamilton is 2,970 miles distant from London. The time of transit is eleven days. The cost of telegrams is 2*s.* 6*d.* per word.

BERTH. (Fr. *Poste, Couchette*, Ger. *Ankerplatz, Bett*, Sp. *Atracado, Camarote.*)

This may mean either

(1) A ship's station when at anchor; or

(2) A sleeping place on board ship.

BID. (Fr. *Offrir, offre*, Ger. *bieten, Angebot*, Sp. *Pujar, oferta.*)

An offer of a price for any particular article which is on sale, generally at an auction.

A bid may be revoked or withdrawn at any time before its acceptance has been signified.

BILL. (Fr. *Note*, Ger. *Nota, Schein,*

Sp. *Letra.*)

A term which has many significations in connection with commerce. Its literal meaning is a sealed paper.

BILL BOOK. (Fr. *Livre de traites et remises*, Ger. *Wechselbuch*, Sp. *Libro talonario de Letras.*)

A book used for the purpose of recording the bills of exchange to be paid or received by a firm. There are generally two books used—a bills payable book and a bills receivable book—one for the bills owing by the firm, and another for the bills owing to the firm. The bills are entered in chronological order, and the columns generally show the following :—

(*a*) Date of bill.
(*b*) Date of acceptance.
(*c*) Name of drawer or acceptor, according to the book.
(*d*) Amount of bill.
(*e*) Period for which it is drawn.
(*f*) Date of maturity.
(*g*) The place where it is payable.
(*h*) Ledger or journal folio.
(*i*) Remarks.

In some businesses bill books are dispensed with, and the transactions periodically entered in the ledger, or dealt with in the cash book.

BILL-BROKERS. (Fr. *Courtiers de change*, Ger. *Wechselmakler*, Sp. *Corredores de Letras.*)

Persons who engage, as intermediaries, in the purchase and sale of bills of exchange and promissory note. They sell bills for those drawing on foreign countries, and buy bills for those remitting to them. It is their business to know the state of the exchange and the circumstances that are likely to elevate or to depress it. Bill-brokers are distinct from discount-brokers, those who procure the discount of bills that have some time to run before they become due.

BILL OF ENTRY. (Fr. *Déclaration en Douane*, Ger. *Zolleinfuhrschein*, Sp. *Declaración.*)

A statement, made upon a printed form filled up in writing by a merchant, of the nature and value of goods for the use of the Custom House. If the goods are for export, they are "entered outwards"; if for import, they are "entered inwards." The collector signs this bill when it is a "perfect entry," and this authorizes the searcher to permit the unloading or the shipping of the goods. If the importer does not know the goods sufficiently to give such a bill, he applies for a "Bill of Sight," which gives permission to view the goods in the presence of Custom House officers. The importer must complete the entry of goods delivered by Bill of Sight within three days, otherwise the goods will be conveyed to the King's Warehouse. If the entry is not completed and the duties with the charges for removal and warehousing are not paid within a month after the landing of the goods, they may be sold for the payment of the same.

BILL OF EXCHANGE. (Fr. *Lettre de change*, Ger. *Wechsel*, Sp. *Letra de Cambio.*)

A bill of exchange, or, as it is sometimes called, a draft, is defined by the Bills of Exchange Act, 1882, which is the statute codifying the law on the subject, to be "an unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinate future time a sum certain in money to or to the order of a specified person, or to bearer."

Every word of the definition is important, for if the instrument does not comply with all the requirements set out, it is not a bill of exchange, and the holder of it will not be in possession of a negotiable instrument.

Form of Bill.—No particular form of words is necessary, but it is not often that an inland bill of exchange—which is a bill drawn and payable within the British Islands, or drawn within the British islands upon some person resident therein—differs from the following :—

"*London, January* 1, 1903.

£250.

Three months after date, pay to Mr. James Thompson or order the sum of two hundred and fifty pounds, for value received.

William Smith.

To Mr. John Robinson,
Bristol."

In this example William Smith is called the "drawer," John Robinson the "drawee," and James Thompson the "payee." As soon as the drawee signifies that he has assented to the order of the drawer, which is ordinarily done by his writing the word "accepted" across the bill and adding his signature, he is called the "acceptor."

The amount for which the bill is drawn is generally indicated in figures in the top left-hand corner, and in

words in the body of the bill. If the amounts do not agree, that expressed in words governs the instrument.

A bill is not invalid by reason only of its not being dated, being antedated, post-dated, or dated on a Sunday. The words "for value received" are invariably used, although they are quite unnecessary. In a bill of exchange consideration is always presumed, until the contrary is shown.

A bill in the above form, if duly stamped, is a good negotiable instrument. But until the drawee has accepted it he is in no way liable upon it. He is not what is called a "party" to it. In the same way the payee is not a party to the bill, nor is he liable thereon until he has placed his indorsement upon it.

Bills vary greatly as to the times at which they are drawn. Some are "at sight" or "on demand," others "after sight." The time at which payment is due upon such bills will be noticed hereafter. Again, the payee may be, and frequently is, the drawer himself. The wording of the bill then runs, "one month after date pay to me or my order." Instead of being payable to order, the bill may be made payable to bearer. This is an important difference, as it affects the mode of transfer of the bill. If the bill is a bill payable to order, no transfer is complete unless the person to whose order it is drawn has indorsed his name thereon. If it is a bill payable to bearer, no indorsement is required.

Foreign Bills of Exchange.—A bill of exchange which does not fall within the definition of an inland bill, given above, is called a "foreign bill." It generally consists of a set of three bills, identical in terms, except that each is expressed to be payable only on condition that neither of the other two has been paid. The three bills are transmitted separately, and the risk of losing the bill—for the three constitute one bill, unless the drawer accepts more than one part—is greatly diminished.

The following is a common form of a foreign bill :—

"*London, January* 1, 1903.
For francs, 10,000.

At forty days after sight of this first of exchange (second and third unpaid) pay to the order of M. Jean Berthelot ten thousand francs, for value received, and place the same to account as advised.

Joseph Brown.

To M. E. Malvin, Paris."

The law affecting foreign bills is in the main the same as that which is applicable to inland bills. But the following differences must be noticed :—

(1) A foreign bill is frequently made payable at one or more "usances." By "usance" is meant customary time, that is, the time of payment as fixed by custom, having regard to the place where the bill is drawn and the place where it is payable. For example, if the usance between London and Rotterdam is one month, a bill drawn in the latter place on January 1, and made payable at double usance, falls due on March 4. (See *Days of Grace.*)

(2) Although an inland bill must be written on duly stamped paper—except where the duty is one penny only, and then an adhesive stamp will suffice—a foreign bill need not be stamped before it is issued. It must, however, be stamped before it can be negotiated in the British Islands.

(3) If a foreign bill is dishonoured, the fact must be noted by a notary public. A declaration must also be drawn up as to the dishonour. This is called "protesting the bill." (See *Protest.*)

Stamps.—An inland bill of exchange must be stamped as follows :—

	s.	*d.*
When payable on demand, or within three days after date or sight, for any amount, or when the amount does not exceed £5	0	1
When the amount exceeds £5 and does not exceed £10 . . .	0	2
Ditto £10 Ditto £25 . .	0	3
Ditto £25 Ditto £50 . .	0	6
Ditto £50 Ditto £75 . .	0	9
Ditto £75 Ditto £100 . .	1	0

When the amount exceeds £100, 1*s.* for the first £100, and an additional 1*s.* for every fractional part of £100. Thus a bill, not payable on demand, or within three days after date or sight, for £875 requires a 9*s.* stamp.

As already stated, a 1*d.* adhesive stamp may be used in those cases where that is the amount of the duty to be paid, provided the stamp is affixed at the time of the issuing of the bill. In every other case an impressed stamp is necessary. Dealing with bills of exchange which are improperly stamped renders the person so doing liable to a penalty of £10.

A foreign bill, which is negotiated in the United Kingdom, is stamped as an inland bill, except that when the amount is between £50 and £100, a 6*d.* stamp only is required, and when the amount

exceeds £100, a 6*d.* stamp is required for each fractional part of £100.

Capacity of Parties.—"Capacity to incur liability as a party to a bill is co-extensive with capacity to contract." (See *Contract.*)

An infant is not liable upon a bill of exchange, even though it is given for the price of necessaries supplied to him. He can only be sued upon the consideration.

Since the contracts of lunatics and drunken men are voidable only and not void, neither lunacy nor drunkenness can be set up as a defence against a holder in due course. (See *Holder.*)

An agent may or may not be personally liable upon a bill according to the manner in which he signs it. Thus, if he accepts and signs, "J.S., Manager," or something equivalent, he is personally liable, for the additional word "manager" is merely descriptive of himself; but if the acceptance is given in the following or a similar form, "X & Y, Limited, J.S., Manager," and J.S. is acting within the scope of his authority, he is not personally liable at all.

Consideration for a Bill of Exchange.—"Valuable consideration for a bill may be constituted by:—

(*a*) Any consideration sufficient to support a simple contract;

(*b*) Any antecedent debt or liability."

This second sub-section is an exception to the general rule of simple contracts, that the consideration must not be a past one.

It is a presumption of law that every person whose signature appears on a bill of exchange became a party to the bill for valuable consideration. This presumption, however, may be rebutted by evidence to the contrary.

It cannot be too carefully remembered that every holder of a bill of exchange is presumed to be a holder in due course, and that if value has been given for it at any time, it will be no defence to an action on the bill against any party, who was a party to it previous to the time of its last transfer for value, that he received no consideration for it. But there is no right of action against an immediate transferee unless value is given. For example, if a bill is drawn and accepted for value, and then transferred through the hands of several persons, and at last handed as a gift to the holder, the holder may recover the amount for which the bill is drawn from any person whose signature appears upon it, except the person from whom he received it as a gift. (See *Accommodation Bill.*)

If a bill (including, of course, a promissory note and a cheque) is given for a wagering or gaming debt, the winner cannot sue the loser upon it. But if the instrument is transferred for value to a third person, who is unaware of the fact that it is connected with a gaming or wagering transaction, such third person can enforce payment.

Issuing a Bill.—As a deed is of no effect until it is delivered, so a bill of exchange is of no effect against the parties to it if, although complete in form, it comes into the hands of a person through some fraud before it has been delivered. For example, a bill complete in form may be stolen from the desk of the drawer. If there has been no delivery of the bill, the drawer will not be liable upon it if it gets into circulation.

It is the common practice to obtain the acceptance of the drawee as soon as possible after the bill is drawn, though there is no absolute necessity for doing so until any time before the date fixed for payment. If acceptance is refused, or if payment is not made at the date on which the bill is payable, the bill is said to be dishonoured. If a bill is dishonoured by non-acceptance for any reason, the holder may take the acceptance of any person other than the drawee, who accepts for the honour of the drawer. (See *Acceptance, Acceptance for Honour, Dishonour.*)

Negotiation.—Negotiation of a bill signifies its transfer, and unless the bill contains words prohibiting its transfer, any holder may so deal with it. The method of transfer depends upon whether the bill is payable to order or to bearer. If the former, the person to whose order it is drawn must have indorsed his name upon it. If the latter no indorsement is necessary. But it is always advisable to secure the indorsement of a transferor, so as to make him liable as a party to the bill, in case it is dishonoured.

When any transferor simply writes his name on the back of a bill, he is said to indorse it "in blank." If he indorses it in some such manner as the following, "Pay X.Y. or order," the bill is said to be "specially indorsed." The difference between these two kinds of indorsement is this. In the former case the transferee can negotiate the bill by mere delivery, whereas in the latter the signature of X.Y. is an abso-

lute necessity before any further transfer can take place. If further words are added, such as "Pay X.Y. only," the bill is said to be "restrictively indorsed," and no further negotiation of the bill is posssible. By the use of the words "*sans recours*" (without recourse), the transferor excludes his personal liability. A transferee may very naturally object to take such a bill.

When the number of transfers is considerable, the space on the back of the bill may be insufficient to contain all the names of the intended indorsers. An "allonge" is then attached to the bill. (See *Allonge.*)

Days of Grace.—A bill of exchange, regular and perfect on the face of it, retains the special qualities of negotiability as long as it is not overdue. The holder must, therefore, present it for payment at the proper time, unless it has been previously dishonoured. In calculating the date at which a bill is payable three days are allowed after the specified time, which are called "days of grace." If the third day of grace falls on a Sunday, Christmas Day, or Good Friday, or a day appointed by Royal Proclamation as a public fast or [illegible] the bill is payable on [illegible] business day; if it [illegible] day the bill is not payable until the next succeeding business day. If the last day of grace is a Sunday, and the preceding day a [illegible] ent is due on the [illegible] lay. There are no in the case of bills which are payable on demand, or at or after sight.

Forgery.—The position of a holder in due course is unaffected by any defects in the title of any prior party to the bill, even though such prior party may have stolen the bill. But no title can be made through a forgery. Thus, if a bill is made payable to the order of a particular person, or is specially indorsed to him, and another person forges his indorsement, a subsequent transferee has no rights as a holder in due course, even though he took the bill without any knowledge of the forgery and gave value for it. The forgery of an indorsement is not a mere defect of title. Even a banker is responsible to his customer if he pays under a forged indorsement, unless it is a bill payable on demand. For this reason, when bills are made payable at a particular bank, the banker will make special arrangements with his customers so as to avoid the chance of loss. Although a transferee acquires no rights through a bill which bears a forged indorsement, he can demand repayment of the amount which he has paid for the bill from his transferor.

Notice of Dishonour.—When a drawee refuses to accept a bill, or when, having accepted, he refuses to pay the amount of it at maturity, the bill is said to be dishonoured. The holder must at once give notice of the dishonour to all parties to the bill whom he wishes to hold responsible for the default of the drawer. This notice is generally given in writing, and should be sent immediately. In the absence of special circumstances, the following are the rules as to the time for giving notice of dishonour:—

(*a*) Where the person giving and the person to receive notice reside in the same place, the notice must be given or sent off in time to reach the latter on the day after the dishonour of the bill.

(*b*) When the person giving and the person to receive notice reside in different places, the notice must be sent off on the day after the dishonour of the bill, if there is a post at a convenient hour on that day; and if there is no such post on that day then by the next post thereafter.

Each person to whom notice of dishonour is given has the same time in which to give notice to any parties to the bill whom he desires to make responsible.

In many cases notice of dishonour is dispensed with under the Bills of Exchange Act. (See *Dishonour.*)

Rights and Liabilities of Parties.—These are separately considered under *Acceptor, Drawer, Holder,* and *Indorser.*

Discharge of Bill.—A bill is discharged when all rights of action thereon are extinguished. It ceases to be a negotiable instrument, and no holder is able to proceed upon the instrument. Other rights of action may remain, but they are independent of the bill itself.

The most obvious and general method of discharging or extinguishing the right of action on a bill is payment by the acceptor according to the tenor of the instrument. Part payment of a bill in due course operates as a discharge *pro tanto.*

If a bill, in the course of negotiation, gets into the hands of the acceptor as a holder in due course, at the time when or after payment is due, it is discharged.

The holder may, after payment is due, renounce his right of action against

the acceptor, and if he does so either by delivery of the bill to the acceptor, or by making a renunciation in writing, the bill is discharged.

Material alteration or intentional cancellation will act as a discharge. But if the alteration is material, e.g., date, amount, time or place of payment, the alteration must be apparent, otherwise a holder in due course may avail himself of the bill as if it had not been altered, and enforce payment according to its original tenor.

It should be recollected that the acceptor of a bill of exchange is under no duty to take precautions against fraudulent alteration in the bill after acceptance. Thus, in the case of *Scholfield* v. *Earl of Londesborough* (1896), A.C. 514, a bill for £500 was presented for acceptance with a stamp of much larger amount than was necessary, and with spaces left. The acceptor wrote his acceptance and handed the bill to the drawer, who fraudulently filled up the spaces and turned it into a bill for £3,500. Being sued on the bill by a *bonâ fide* holder for value the acceptor paid £500 into court, and it was held that this was the extent of his liability. The law is different in the case of a cheque. (See *Cheque.*)

Lost Instruments.—"Where a bill has been lost before it is overdue, the person who was the holder of it may apply to the drawer to give him another bill of the same tenor, giving security to the drawer if required to indemnify him against all persons whatever in case the bill alleged to have been lost shall be found again.

"If the drawer on request as aforesaid refuses to give such duplicate bill, he may be compelled to do so.

"In any action or proceeding upon a bill, the court or a judge may order that the loss of the instrument shall not be set up, provided an indemnity be given to the satisfaction of the court or judge against the claims of any other person upon the instrument in question."

Incomplete Instruments.—The signing and delivery of a blank stamped paper is a *primâ facie* authority to fill it up as a bill for any amount which the stamp will cover, using the signature for that of the drawer, the acceptor, or an indorser. In like manner, if the bill is wanting in any material particular, the holder has a *primâ facie* authority to fill up the omission in any way he thinks fit. But the completion must be within a reasonable time and strictly in accordance with the authority given.

How long Negotiable.—If a bill of exchange is negotiable in its origin it continues to be so until it has been restrictively indorsed or discharged by payment or otherwise. Its negotiability is often destroyed—but this is more particularly the case with cheques—by the writing of the words "not negotiable" across the face of it. If an overdue bill is negotiated, it can only be so dealt with subject to any defect of title affecting it at its maturity. Thenceforward no person who takes it can acquire or give a better title than that which the person from whom he took it possessed. A bill payable otherwise than on demand is overdue after the expiration of the last day of grace; a bill on demand after is has been in circulation for an unreasonable length of time. What is an unreasonable time is a question of fact in each case.

Bill as Payment.—When a bill is given in payment of a debt, the remedy for the debt is suspended until the bill has been dishonoured. The payment is only conditional, and if the bill cannot be realized the debt revives. It is immaterial whether the bill is payable on demand or *in futuro.*

BILL OF HEALTH. (Fr. *Patente de Santé*, Ger. *Gesundheitspass*, Sp. *Patente de Sanidad.*)

A certificate or instrument granted by a consul, or other competent authority, to the master of a ship at the time of her clearing out from any port or place, declaring the state of health in the place at that time. A "clean bill" imports that, at the time the ship sailed, no infectious disorder was known to exist; a suspected or "touched bill" denotes that there were rumours of an infectious disorder, but that it had not yet actually appeared; a "foul bill," or the absence of clean bills, imports that the place was infected when the vessel sailed. If the ship brings a clean bill of health, the passengers and goods are not subject to any quarantine; but if a foul or suspected bill, they may be subject to quarantines of different duration, according as the disease is known or only suspected to have existed in the country at the ship's departure.

BILL OF LADING. (Fr. *Connaissement*, Ger. *Konnossement*, Sp. *Conocimiento.*)

An acknowledgment of the shipment of goods, which also contains the terms

and conditions agreed upon as to their carriage. It is not necessarily the contract of carriage itself, though it is excellent evidence of it.

Even when the ship is chartered, and the charterer finds the whole cargo, a bill of lading is often used; but it is most commonly found when a cargo of different kinds of goods is collected from different consignors. A copy of the bills of lading is given to each consignor for the goods which he has shipped, and this is not only a receipt for the goods, but also a document which can be indorsed and delivered to another party, who thereby has the property in the goods named transferred to him.

The forms of bills of lading vary considerably, and some are extremely elaborate.

The bill of lading is ordinarily signed by the master, who affixes his signature as agent of the owners of the ship. If, however, the ship has been chartered, he may be agent of the charterer, and not of the ship-owners. Each case will depend upon its own facts.

A sixpenny stamp is required, and this must be affixed before the execution of the bill.

The bill of lading may, or may not, name a special consignee. It is often made out in blank, and then the ownership of the goods remains in the consignor, whereas in the former case the consignee is the person entitled.

The person entitled to the goods named in a bill of lading may transfer the ownership in them to another person by the indorsement and delivery of the bill to the transferee. This can be effected at any time after the bill of lading comes into his hands, and if the transfer is made for value and the bill indorsed, the consignor's right of stoppage *in transitu* is gone.

The indorsement and delivery of a bill of lading always operated as a transfer of the property of the goods named therein. But, at common law, there was not, and could not be, a transfer of the contract made between the original parties. If, therefore, the transferee had to sue or to be sued in an action based upon the contract, it was necessary to join the consignor as a party. As this led to much inconvenience, the Bills of Lading Act was passed in 1855, by which "every consignee of goods named in a bill of lading to whom the property in the goods therein mentioned shall pass, upon or by reason of such consignment or indorsement, shall have transferred to and vested in him all rights of suit, and be subject to the same liabilities in respect of such goods as if the contract contained in the bill of lading had been made with himself."

Bills of lading are not negotiable instruments. The transferee, even though he takes the bill *bonâ fide*, and gives value for it, acquires no better title than the transferor had.

The words "weight and contents unknown" are frequently added at the foot of a bill of lading, and also other words to the effect that the value of the goods is unknown. This is for the purpose of protecting the master of the ship. If no such words are contained in the bill, and if it is stated that the goods are shipped in good order and condition, the bill of lading is evidence that the goods were, in fact, put on board in such a condition, and the master must deliver them in the same condition, even though the statement is untrue. A bill without this qualification is called a "clean" bill of lading.

It is usual to prepare three copies of a bill of lading. This is called "drawing in a set." One copy is retained by the consignor, a second by the master, and the third is sent to the consignee. If the first and third are delivered to different purchasers, the property in the goods passes to the purchaser who is first in point of time. But the master is not liable if he delivers the goods to any person who presents one of the parts of the bill of lading to him, even though he may not be the first transferee. He must, however, show that he acted in good faith, and that he had no notice of conflicting claims. If there is any dispute the master must interplead, that is, compel the opposing parties to fight out their claim between themselves, he expressing his willingness and readiness to give up the goods to the one who is declared to be the rightful owner.

BILL OF SALE. (B/S). (Fr. *Contrat de vente*, Ger. *Verkaufsbrief*, *Verkaufsanweisung*, Sp. *Escritura de venta.*)

A deed under seal which passes the right and property in chattels from one person, called the grantor, to another, called the grantee.

Bills of sale are of the nature of mortgages of goods, and are, for the most part, within the provisions of the two Acts passed in 1878 and 1882, called the Bills of Sale Acts. But

although the Acts must be considered together in order to understand their provisions, the objects of the two are quite dissimilar. The former was passed for the protection of creditors, by preventing persons obtaining credit when in the apparent possession of goods which belonged to another; the latter was passed for the protection of the borrowers themselves, as it was found that persons in impecunious circumstances were often induced to sign complicated documents without understanding their meaning.

Only a few points with regard to bills of sale are here noticed, because it cannot be too strongly impressed upon the minds of all people that any transactions in connection with bills of sale, which are not carried out through the medium of a solicitor, are likely to end in trouble and disaster.

No trader should ever resort to such a security until he has exhausted every other source of borrowing money. It stops his credit and cannot fail to harm him in his business.

Bills of Sale Act, 1878.—The provisions of this Act do not deal exclusively with documents relating to sales, for the term "bill of sale" has been defined to include, in addition, assignments, transfers, declarations of trust without transfer, inventories of goods with receipt attached, assurances of personal chattels, powers of attorney, authorities or licences to take possession of personal chattels as security for any debt, and any agreement, whether intended or not to be followed by the execution of any other instrument, by which a right in equity to any personal chattels, or to any charge or security thereon, shall be conferred.

The following documents are, however, declared by the Act not to be included, viz., assignments for the benefit of the creditors of the person making or giving the bill of sale, marriage settlements, transfers or assignments of any ship or vessel or any share thereof, transfers of goods in the ordinary course of business of any trade or calling, bills of sale of goods in foreign parts or at sea, bills of lading, India warrants, warehouse-keepers' certificates, warrants or orders for the delivery of goods, or any other documents used in the ordinary course of business as proof of the possession or control of goods, or authorizing or purporting to authorize, either by indorsement or by delivery, the possessor of such document to transfer or receive goods thereby represented. The Act does not apply to any debentures issued by any mortgage, loan, or other incorporated company, and secured upon the capital stock or goods, chattels, and effects of such company.

Personal chattels mean goods which are capable of complete transfer by delivery, also fixtures and growing crops assigned separately from the buildings or land to which they are attached. Trade machinery is included, whether assigned together with, or separately from, the building to which it is attached, with the exception of certain fixed motive power machinery, pipes, etc., which are declared not to be personal chattels under the Act.

Requisites of Absolute Bills of Sale.—Absolute bills of sale must be (*a*) duly attested, (*b*) registered within seven days, (*c*) accurate in the statement of the consideration for which the bill is given. The attestation of the execution must be by a solicitor, and it must state that before the execution took place the effect of the bill of sale had been explained to the grantor by the attesting solicitor. Registration is made in the central office of the High Court of Justice within seven clear days after the execution of the bill of sale. A true copy of the bill is filed, and it must be accompanied by an affidavit upon application for registration. The copy must be exact in every particular; nothing contained in the original must be omitted. The affidavit must set forth the time when the bill was made, executed, and attested, and must state the residence and occupation of the grantor and of every attesting witness. Registration must be renewed at least every five years. The greatest care is required in setting out the consideration with perfect accuracy.

The Act provides that a bill of sale shall be void against the trustee in bankruptcy, or an execution creditor of the grantor, so far as regards goods contained in it and still remaining in the possession of the grantor, unless the above requisites are complied with. Non-compliance does not make the bill of sale void for other purposes. For example, the grantee has a good title against the grantor, even though there has been no registration.

Bills of Sale Act, 1882.—The bills of sale dealt with by this Act, which is supplementary to the Act of 1878, are conditional, and may be defined as

those which pass the goods of the transferor to the transferee, subject to a condition re-vesting them in the transferor upon the performance of the condition imposed, viz., repayment of the money lent.

Requisites and Form of Conditional Bills of Sale.—If the bill of sale does not comply with certain requisites and forms it is absolutely void, not only as regards other creditors of the grantors but as between the grantor and the grantee. The principal of these are :—

(1) The bill of sale must be made in accordance with the form given in the schedule of the Act. Though the words need not be the same, they must produce the same legal effect, and must be so framed as not to deceive any reasonable person as to their exact meaning.

(2) It must be attested by one or more credible witnesses who are not parties to the bill. The attesting witness must be accurately described even when he is a person without occupation.

(3) The bill must be registered within seven days of its execution, and re-registration is necessary every five years. Registration not only gives publicity to the fact of the granting of a bill of sale, but secures priority to the grantee over other bills of sale given at a subsequent date. The rights under a bill of sale may be transferred, but there is no need to register the transfer.

(4) The consideration for which the bill of sale is given must be truly set out, and must amount to £30 at least.

The form given in the Act is that of a deed. It contains the names and descriptions of the parties, the consideration for which the bill is given, the assignment by the borrower of the goods, specified in an annexed schedule, to the lender, the interest to be paid, the covenant of the borrower to repay the sum lent with interest on a certain future date, and a provision that the goods shall not be liable to seizure except for any of the causes specified in the seventh section of the Act. No goods will be included in the security which are not set out in the schedule, which must be annexed to the bill of sale, and if goods are included which are not the property of the grantor, the bill will be void to that extent, except as against the grantor himself. This is a provision which prevents a trader from including in such a bill his stock-in-trade for the time being.

Remedies of the Grantee.—The grantee of a bill of sale, which is regular in form and not wanting in any of its legal requisites, is a secured creditor, and is superior to the claims of all other creditors of the grantor, except the landlord and the crown. The landlord has the right of distress for rent accrued due, and can seize and sell in satisfaction of the same any goods which are upon the demised premises at the time of making the distress, even though they are comprised in the schedule annexed to a bill of sale given by the tenant. So with the tax collector. It is therefore necessary for the grantee to be safeguarded against such a contingency. And in order to protect him further and save him from the annoyance of litigation, the Act of 1882, by its seventh section, has set forth the causes for which the goods covered by a bill of sale may be seized. They are :—

(*a*) If the grantor makes default in payment of any money secured at the time provided for payment, or in the performance of any of the covenants contained in the bill.

(*b*) If the grantor becomes bankrupt or suffers his goods to be distrained for rent, rates, or taxes.

(*c*) If the grantor fraudulently removes his goods or suffers them to be removed from the premises where they are at the time of the execution of the bill.

(*d*) If the grantor refuses, without reasonable cause, upon demand in writing by the grantee, to produce his last receipts for rent, rates, and taxes.

(*e*) If the grantor allows execution to be levied against his goods by any judgment of law.

After seizure the grantee may sell the goods seized, in the same manner as a legal mortgagee of land.

Remedy of the Grantor.—If the grantor has any ground upon which to impugn the transaction, either that the bill of sale is void or that the seizure is irregular, he may apply to a judge of the High Court to restrain the grantee from removing or selling the goods. The application must be made within five days of the seizure of the goods, and during that time the goods must not be moved. If the judge is satisfied that the grantor has *primâ facie* a just cause of complaint, he will make such order as he thinks proper in the matter, and forbid the removal and sale

Stamps and Fees.—The stamps on absolute bills of sale are on the same scale as those on conveyances of property, on conditional bills of sale, as on mortgages. The fees payable are as follows:

	£	s.	d.
On filing a bill of sale and affidavit, where the consideration (including further advances) does not exceed £100	0	5	0
Above £100, and not exceeding £200	0	10	0
Above £200	1	0	0
Affidavit of re-registration	0	10	0
Writ of satisfaction	0	5	0
Request for search and certificate	0	5	0

Publicity.—Every bill of sale, in order to be valid, must be registered, and this registration gives the utmost publicity to the transaction. Any person may search at the central office and obtain an official copy of any bill of sale. When a bill is satisfied, the satisfaction will be entered in the central office, and this will be as extensively advertised as the bill of sale was when it was registered.

Bill of Sale (*Shipping*).—The sale of a British ship can only be effected by a document inappropriately called a bill of sale, since the Bills of Sale Act, 1878, does not apply to it. The form required is given in the Merchant Shipping Act, 1894, and must be adhered to. The transferee must make a declaration to the effect that he is qualified to be the owner of a British ship, that is, that he is a British subject, natural born or naturalized, or, in the case of a corporation, that the corporation is established under and is subject to the laws of some part of the British dominions, and has its principal place of business within the British dominions. (It must be remembered that an alien is excluded by statute from the privilege of holding property in a British ship.) The bill of sale and the declaration are presented to the registrar, who records the transaction in the register book, and indorses the bill of sale with a statement acknowledging the registration.

If the transfer takes place by operation of law, that is, through the death or bankruptcy of the owner, the executor, administrator, or trustee cannot be entered on the register as a transferee, unless he is in other respects qualified to be the owner of a British ship. At the request of an unqualified person, who is entitled as executor, administrator or trustee, the court may order the ship or the share in it (the property in a ship is divided into sixty-four shares) to be sold within four weeks of the transmission of the interest of the deceased or bankrupt.

BILL OF SIGHT. (See *Bill of Entry.*)

BILL OF STORE. (Fr. *Passe-debout*, Ger. *Wiedereinfuhrschein*, Sp. *Pase.*)

A form of entry permitting the re-importation of British goods, within five years of their exportation, without being subjected to the duties and general conditions applicable to foreign goods. The Commissioners of Customs must be satisfied that the goods are of British origin. All foreign goods on re-importation are liable to the same duties, regulations, etc., as on their first importation. It is immaterial that the duties were paid and the regulations observed on their first entrance into the country.

BILL, VICTUALLING. (Fr. *Passavant*, Ger. *Proviantschein*, Sp. *Abastecimiento.*)

A licence granted to ships to carry free of duty such stores as are necessary for the voyage. The licence is obtained from the Custom House authorities.

BILLS OF SUFFERANCE. (Fr. *Permis de consigne*, Ger. *Erlaubnisschein*, Sp. *Guia de permiso.*)

These are bills which permit coasting vessels to sail from one port to another with dutiable articles in bond. Such articles must be landed at a sufferance wharf, or placed in a bonded warehouse, until the duty is paid.

BIMETALLISM. (Fr. *Bimétallisme*, Ger. *Doppelwährung*, Sp. *Bimetalismo.*)

The system of currency based upon a double standard, gold and silver, as distinguished from that based upon a single standard, which is known as monometallism. England has been a monometallic country, the standard being gold, since 1816, and the German Empire since 1873. India and China are silver "monometallists." The countries belonging to the Latin Union are bimetallic.

The rapid fall in the price of silver since 1873 has brought the subject forward into increased notice. The advocates of bimetallism propose certain measures, particularly the fixing of the ratio between gold and silver as 1 to 15½, by which they believe the fluctuations in the real value of the two precious metals would be steadied and trade be carried on, especially with the East, to greater advantage. It is not at all

certain that this would be so. It must not be forgotten that gold and silver are commodities just like anything else, and that it is no more possible to fix the prices of these metals by law than it would be to fix the prices of corn or cotton. It is quite certain that in the payment of a debt, whatever the legal position might be, a debtor would always choose, if the option was left to him, that metal which was the cheaper in the market to liquidate his obligation.

BLACK LIST. (Fr. *Liste des insolvables*, Ger. *schwarze Liste*, Sp. *Lista de insolventes.*)

The name given to printed lists of bankrupts, suspensions, bills of sale, and similar matters issued for the private guidance of the trading community.

BLANK BILLS. (Fr. *Traites en blanc*, Ger. *Wechselformulare, Blankowechsel*, Sp. *Letras no escritas.*)

Bills drawn without inserting in them the name of the payee. Thus, a bill may be drawn in the following form :—

"*London, January* 1, 1903.

Please pay on demand the sum of Fifteen pounds ten shillings.

Thomas Thorne.

To Mr. Walter Whiffin."

BLANK INDORSEMENT. (Fr. *Endos en blanc*, Ger. *Blankogiro*, Sp. *Endoso en blanco.*)

An indorsement without the addition of the name of the person to whom a bill of exchange or other document is given. It is the opposite of a special indorsement.

A bill of exchange with a blank indorsement is payable to bearer. When a bill has been indorsed in blank, any holder may convert the blank indorsement into a special indorsement by writing above the indorser's signature a direction to pay the bill to or to the order of himself or some other person.

BLANK TRANSFER. (Fr. *Transfert en blanc*, Ger. *Blankoabschreibung*, Sp. *Transferencia en blanco.*)

A transfer deed with the name of the transferee left blank, sometimes given to bankers and others as a greater security for money lent upon the stock and shares represented thereby.

BOARD OF TRADE. (Fr. *Département du Commerce, Ministère du Commerce*, Ger. *Handelsministerium*, Sp. *Junta de Comercio y Navegación.*)

The government department which superintends all matters relating to the mercantile marine, trade, navigation and railways. The offices of the Board of Trade are in Whitehall Gardens, London, S.W.

The Board of Trade has a lengthy history. The first committee appears to have been appointed in the reign of James I. It was reconstituted under Charles I., and again under the Commonwealth. In 1660, after the Restoration, Charles II. established two Councils, one for trade and another for the foreign plantations. They were combined under one Commission in 1672. But the Commission was revoked three years later, and the control of trade returned to the Privy Council. In 1695 the Board of Trade and Plantations was created. It was a costly and inefficient body, its incapacity mainly arising from a want of executive power. Its main duty was to collect information and make suggestions to the Secretary of State for the Southern Department, which might or might not be acted upon. It was abolished on the motion of Burke in 1782. From the last-named date until the present time, the Board of Trade has been a Committee of the Privy Council, and consists of a body of great officials with a president. The president is a Cabinet Minister, and is sworn into the Privy Council as President of the Committee of Council for Trade. The simple title Board of Trade was not used to designate the committee until 1862, when by the Harbour Transfer Act it was enacted that "the term 'Board of Trade' shall be taken to mean the Lords of the Committee of Privy Council for the time being appointed for the consideration of matters relating to trade and foreign plantations."

The work of the Board has developed enormously, and it is carried out through the following six departments :—

(1) Bankruptcy. This was established in 1883. At the head is an Inspector-General, and he is assisted by a number of Official Receivers, who are appointed for certain districts. The main duty imposed is to audit the accounts of trustees in bankruptcy, and to supervise their conduct and dealings. This department has also the control of liquidators appointed to wind up insolvent companies.

(2) Commercial, Labour, and Statistical. This department was established in 1832. Its duty is to give advice to other Government departments upon commercial matters, and prepare statistics, accounts, returns and

abstracts of shipping, labour, railways, emigration, tariffs, wages, the condition of labour, trades-unions, and strikes. It edits the *Board of Trade Journal*, which was instituted in July, 1886, giving details as to customs' tariffs and regulations, information as to trade movements and periodical returns. The Commercial Intelligence branch of the department was opened in 1899. Since 1896 it has also been concerned with the administration of the Conciliation Act, 1896, for the prevention and settlement of labour disputes.

(3) Finance and General. This was established in 1851. It prepares the annual estimates and deals with a large number of funds, such as the General Lighthouse Fund, the Ramsgate Harbour Fund, the Merchant Seamen's Fund, Greenwich Hospital Fund, etc. Other matters which fall to this department include seamen's savings banks, the transmission of seamen's wages at home and abroad, the issue and payment of seamen's money orders, the wages and effects of deceased seamen, the relief of distressed seamen, the expenditure of lighthouse authorities, etc. It also receives, examines, and presents to Parliament the accounts of Life Insurance Companies, and controls the receipt and payment of moneys in connection with the Bankruptcy Estates Account, under the Bankruptcy Act, 1883, and the Companies' Winding-up Act, 1890. The Patent Office is under this department, and so is the Joint Stock Companies' Registry Office.

(4) Fisheries and Harbours. This department was divided from the Marine Department in 1866. It has charge of the foreshores belonging to the Crown, and takes care that no injury is done to navigable harbours and channels. Its main duties are connected with harbours and lighthouses, and all matters relating to inland and sea fisheries; but since 1896 other duties have been transferred to it from the Railway Department, relating to such things as electric lighting and the supply of gas and water.

(5) Marine. It was in 1850 that the business of this department was established, and it was separated from that of the Fisheries and Harbours in 1866. Its main duty is the administration of the Merchant Shipping Act, 1894, which is a consolidation of all the previous legislation relative to merchant shipping.

(6) Railway. This department was established in 1840. Its business is to inspect railways and their works before they are opened for public traffic, to inquire into railway accidents, to approve bye-laws, and generally to take an active part in all matters connected with railways which in any way affect the public. The same duties are imposed upon it as far as tramways and canals are concerned. Under this department is the Standards Department, which tests and examines weights and measures used in trade and for scientific purposes.

BOARD OF TRADE RETURNS. (Fr. *Statistique de Commerce*, Ger. *Handelsstatistik*, Sp. *Consejo de estadisticas.*)

Government statistics of exports, imports, and consumption, issued periodically for general information. These are useful in business; they show to what extent the exports have exceeded or fallen below the imports in each of the articles enumerated, thereby pointing out the balance of trade, which in a great measure affects the rates of exchange, the bank rate, and the whole trade interests of the country.

BOLIVIA. Bolivia is bordered north and east by Brazil, south by the Argentine Republic and Paraguay, and west by Peru and Chili. It is, therefore, an inland country, its communication with the sea being carried on through the ports of Peru, Chili and the Argentine Republic. Recent explorations in the upper waters of the Parana give reason to believe that Bolivia will soon be connected with the Atlantic by means of tributaries of this river, which are navigable for steamboats of considerable draught. Bolivia embraces an area of 740,000 square miles. The population, about 2,500,000 in number, is chiefly of Indian descent.

The surface, a high plateau surmounted by lofty peaks of the Andes in the west, declines to a low, fertile plain in the east.

Bolivia's products are mainly mineral, though there are several natural products from the forests. The india-rubber is of the finest quality, and almost inexhaustible. Cocoa is one of the most important products. The plant from which it is derived is found in the valleys of the Andes, and exported to a considerable extent. The cinchona-tree, from the bark of which quinine is produced, was first discovered in Bolivia. Of late years it has been found in the forests along the entire

chain of the Andes. Efforts have been made to transplant the cinchona-tree into Java, Ceylon and India, and with such success, that the best quinine now comes from these countries. The result of the East Indian competition has been to reduce the price of quinine more than half.

Bolivia is very rich in minerals. With only the most primitive methods of mining, the silver-mines of Potosi are estimated to have produced £400,000,000 since their discovery. It is said that every ounce of ore that finds its way out of the Andes is carried on the back of a man or a llama, and the quartz is crushed by rolling logs upon it. By this method gold and silver to the amount of nearly £3,000,000 are annually mined. Besides the precious metals, copper, lead, tin, salt, and sulphur are found.

There is now a railway from Mollendo on the Peruvian coast, to Lake Titicaca, and some of the produce of Bolivia reaches a market by this route. Most of the exports of Bolivia, however, are sent abroad by way of Buenos Ayres. The exports comprise silver, Peruvian bark, rubber, gum, cocoa, coffee, copper, tin and other ores. Silver forms two-thirds of the value of the exports. La Paz is the nominal capital and the largest city. Sucre is the seat of government.

Great Britain has no representative, diplomatic or consular, in Bolivia, but there is a Consul-General of Bolivia in London.

Mails are regularly despatched twice a month, via Southampton and Colon. Sucre is 8,386 miles distant from London. The time of transit is between twenty-five and thirty days. The cost of telegrams is 5*s*. 9*d*. per word.

BON. The French word *bon*, meaning good, is a term often found on various documents, such as coupons and bills, which have hence come to be called "Bons."

Bon pour Cinquante Francs, that is, good for fifty francs, is imprinted on coupons attached to Italian rentes. French Treasury Bonds (*Bons du Trésor*) have on their faces *Bon pour Mille Francs*, good for a thousand francs, or whatever the sum may be.

BONÂ FIDE. (Fr. *De bonne foi*, Ger. *bonâ fide*, Sp. *De buena fé*.)

A Latin phrase, signifying "in good faith," as contrasted with *malâ fiae*, which means "in bad faith."

The phrase is used with practically the same meaning by lawyers and laymen, that is, as implying the absence of all dishonesty, fraud, deceit, wilful misrepresentation, or suppression of the truth. It is a necessary element in the formation of all ordinary contracts, although some, such as insurance, require more than *bona fides*—they are of the class of *uberrimae fidei*.

In the Bills of Exchange Act, 1882, and the Sale of Goods Act, 1893, the phrase "in good faith" is frequently used, and in the definitions of each Act it is declared that "a thing is deemed to be done 'in good faith' within the meaning of this Act when it is in fact done honestly, whether it be done negligently or not."

BOND. (Fr. *Obligation*, Ger. *Verpflichtungsschein*, Sp. *Obligación depósito*.)

A writing of obligation, under seal, to pay a sum of money, or to perform a contract. The party who binds himself is called the obligor, the party who is intended to be benefited by the bond is called the obligee.

The general conditions which attach to the validity of all contracts attach to a bond. Thus, an infant or a lunatic cannot bind himself, though either can take a benefit under a bond. The wording need not be technical, but must not be ambiguous, and there must be due execution and delivery.

A bond is generally subject to a condition, and becomes void upon the performance or non-performance of the condition imposed, as the case may be. The sum inserted in the bond as a penalty is usually double the amount of the sum intended to be secured by the instrument; but in case of forfeiture this cannot be wholly recovered. What can be recovered is the sum actually owing, together with interest, or the damages actually sustained.

If the condition of a bond is that the obligor shall not do a certain thing under a penalty, the obligor cannot make his election so as to pay the penalty and do the thing. The court will, if moved, not only make him pay the penalty, but will also restrain him, by injunction, from committing the breach of the condition.

The bond being under seal, the Statute of Limitations does not run against it until twenty years after the right to sue upon it has accrued.

The securities issued by governments and corporations for the repayment of borrowed money are called bonds. Such are the Exchequer bonds. Government bonds are largely dealt with in

the open market, as they are negotiable instruments, that is, the property in them passes from hand to hand by mere delivery.

Bonds are sometimes required to insure the due performance of legal or official duties. For example, an administrator is compelled to give a bond for the due administration of the estate which is about to be placed in his hands.

The following is a specimen of a bond given for the payment of money by instalments :—

"*KNOW ALL MEN* by these presents that I, John Jones, of 78, Eldon Road, Southampton, in the county of Hants, General Merchant, am held and firmly bound to Samuel Smith, of Shortland House, Hove, in the county of Sussex, in the sum of one thousand pounds, to be paid to the said Samuel Smith or to his executors, administrators or assigns, for which payment to be well and truly made I bind myself, my heirs, executors and administrators firmly by these presents. SEALED with my seal : DATED this 1st day of January, 1903.

Signed, sealed, and delivered by the said John Jones, in the presence of } John Jones. (LS.)

William Robinson,
483, Round Street,
Southampton,
Clerk.

NOW THE CONDITION of the above-written bond or obligation is such that if the above-bounden John Jones, his heirs, executors, or administrators, shall pay unto the said Samuel Smith, his executors, administrators, or assigns the sum of Five hundred pounds by the instalments following (that is to say) the sum of One hundred pounds on the 1st day of April next ensuing, the sum of One hundred pounds, other part thereof, on the 1st day of July next ensuing, and the sum of Three hundred pounds, the residue thereof, on the 1st day of January, 1904; and if the said John Jones, his heirs, executors, or administrators shall at the several times hereinbefore appointed for payment of the said several instalments of the said sum of Five hundred pounds pay unto the said Samuel Smith, his executors, administrators, or assigns, interest for the said sum of Five hundred pounds, or such part thereof as for the time being shall remain unpaid, after the rate of Five pounds for every One hundred pounds by the year (such interest to commence and be computed from the day of the date of the above-written bond or obligation), THEN the above-written bond or obligation shall be void, otherwise the same shall remain in full force and virtue."

BONDED GOODS. (Fr. *Marchandise entreposée*, Ger. *Waren unter Zollverschluss*, Sp. *Mercancías en depósito.*)

These are imported goods liable to duty which are deposited in a Government or Bonded Warehouse until the duty upon them has been paid. Such goods are said to be "In Bond," a bond having been signed on behalf of the owners that the duty will be paid when the goods are removed for consumption.

BONDED VAULTS. (Fr. *Voûtes d'entrepôt*, Ger. *Zollkeller*, Sp. *Bodega de depósito.*)

Underground cellars chiefly used for wines and spirits "In Bond," or upon which the duty has not been paid.

BONDED WAREHOUSE. (See *Warehousing System.*)

BOND NOTE. (Fr. *Bon d'entrepôt*, Ger. *Begleitschein*, Sp. *Certificado de depósito.*)

A printed form filled in by an exporter, and signed by an official of a Custom House, before dutiable goods can be transhipped or removed from a bonded warehouse for export, or even removed from one bonded warehouse to another.

BONUS. (Fr. *Boni*, Ger. *Bonus*, Sp. *Bono.*)

A special allowance, premium, or gift to the shareholders of a company over and above the ordinary dividend. In this form the "extra dividend," for it is practically that, does not constitute a precedent. In life insurances, a successful office will sometimes, after a certain number of years, give a bonus to an insurer, either as a lump sum down, or to be applied in reduction of the annual premium.

BOOK ACCOUNTS. (Fr. *Comptes de livre*, Ger. *Kontos*, Sp. *Cuentas.*)

Accounts of debts or credits entered in a book.

BOOK DEBTS. (Fr. *Dettes actives*, Ger. *Buchschulden*, Sp. *Débitos.*)

Debts due and accruing due to a person in the ordinary course of his trade or business, and which are usually entered by a trader in his trade books.

Book debts are not personal chattels within the Bills of Sale Acts, but trade book debts are deemed to be within the order and disposition of a trader who becomes bankrupt, provided there has been no proper assignment of the debts previous to the commencement

of the bankruptcy.

Book debts being *choses in action* may be assigned, but the assignment must be in writing, signed by the assignor, must be absolute, and must be notified to the debtor. The assignee takes the assignment subject to any equities affecting the assignor.

BOOK-KEEPING. (Fr. *Comptabilité, Tenue des livres*, Ger. *Buchführung*, Sp. *Teneduria de Libros.*)

The art of keeping accounts, and recording in a regular, concise and accurate manner the business transactions of merchants and others, so as to show the effect of the transactions upon the financial position of the parties.

It is believed that book-keeping originated with the Venetians in the fifteenth century, the first treatise on the subject being written by Lucas Pacioli, usually called Lucas de Burgo, a monk of the Minorite order. His system is known as the "Italian method," and as it was so perfect and complete from the first, little change or improvement has been made upon it up to the present time. It is generally known as book-keeping by double entry.

Double entry is so called because in this system of book-keeping the record of every transaction involves two entries, one relating to the giver, and the other to the receiver; or, in other words, one relating to the creditor, and the other to the debtor, the amount of each entry being, of course, identical. "Every debit has its corresponding credit."

The number of books to be used will naturally depend largely upon the nature of the business. Some businesses require many subsidiary books for a full and complete record of all transactions. But three books are absolutely essential for the carrying-on of a double-entry system of book-keeping, viz., the waste book, the journal, and the ledger.

The other system of book-keeping is known as single entry. It is utterly devoid of scientific method, and gives a very incomplete record of the transactions it deals with. It answers, however, sufficiently well for the purposes of a small trader or a professional man, when the accounts are not of a complex nature.

BOOK PACKETS. (See *Mail.*)

BORNEO. Next to Australia and New Guinea, this is supposed to be the largest island in the world. It is situated in the Eastern Archipelago, and has an area of 280,000 square miles, with a population of 2,000,000.

By an arrangement entered into with the Imperial Government in 1890, the administration of the colony of Labuan was transferred from the British Colonial Office to the British North Borneo Company, whose territories, together with Sarawak and the native state of Brunei, have been placed under a British Protectorate.

Commerce.—The exports from these tropical possessions and protectorates are sago, bees-wax, edible-birds' nests, camphor, hides, rattans, tortoise-shell, trepang, cinnabar, antimony, coal, diamonds, and gold. The imports are chiefly textile fabrics and metal goods.

Capital, Sandakan. Population, 6,500.

There is a regular mail service to Borneo twice a month. The time of transit is thirty days to Labuan and thirty-five to Sandakan. The cost of telegrams ranges from 4*s.* 10*d.* to 5*s.* 3*d.* per word.

BOTTOM. (Fr. *Navire*, Ger. *Schiff*, Sp. *Quilla.*)

A term often used in commercial language to denote a ship, as when goods are spoken of as imported in foreign bottoms, or in British bottoms.

BOTTOMRY BOND. (Fr. *Contrat à la grosse*, Ger. *Bodmereibrief*, Sp. *Hipoteca del buque.*)

A contract in the nature of a pledge, whereby the "bottom" or whole of a ship is charged or made liable (or, as it is called, "hypothecated"), for the repayment of money borrowed for the necessary requirements of the ship in order to enable the voyage to be brought to a satisfactory conclusion. The bond is signed by the master, and becomes payable within a limited time of the ship's safe arrival in port.

The peculiar feature of a bottomry bond is that the repayment of the money borrowed is dependent upon the safe arrival of the ship at her destination; in fact, the bond is not a good one if there is a covenant to repay the money in any event. As the risk is great the rate of interest charged is proportionately high. On the safe arrival of the ship, the holder of the bond has a claim upon the vessel which is preferred to every other, except wages earned subsequently to the execution of the bond, and salvage.

If there are several bottomry bonds, the last takes priority over all the rest, and the first is last. The reason for this

rule is that it was the money expended upon the ship raised by the last bond which has made the successful termination of the voyage possible, and that without it all prior bondholders would not have been entitled to anything.

This power of hypothecation is so formidable that it cannot be resorted to until every other chance of raising money has failed, and communication with the ship-owner is impossible, or so difficult as to be likely to prejudice the safety of the ship by the delay that will be occasioned. The lender must also exercise care in making the loan, and gather from all the circumstances of the case what are the powers of the master.

On account of the ease and rapidity of making remittances from one country to another at the present day, and the heavy premium demanded for the advance of money on bottomry, this very ancient method of business is almost obsolete.

BOUGHT NOTES AND SALE NOTES. (Fr. *Notes de contrat*, Ger. *Schlussschein*, Sp. *Notas de contrato.*)

These are the contracts which merchants, brokers, and the like, send to each other as soon as a purchase or sale has been arranged between them. They specify the quantity of goods sold (or bought), the price, terms of payment, and all other particulars as to place and time of delivery, etc. They are also known as "Contract Notes."

BOUNTIES. (Fr. *Primes d'exportation*, Ger. *Ausfuhrprämien*, Sp. *Bonificaciónes de exportación.*)

Premiums paid by Governments to producers and exporters of certain goods with a view of encouraging and developing an industry by enabling them to compete on most favourable terms with their foreign rivals. Bounties must be carefully distinguished from Drawback.

BOURSE. (Fr. *Bourse*, a purse; Ger. *Börse*, Sp. *Bolsa.*)

A place of business, or an exchange where merchants meet together for the transaction of business.

BRAND. (Fr. *Marque*, Ger. *Brand*, *Marke*, Sp. *Marca.*)

A trade-mark made by the impression of a hot iron on casks or packing cases, usually for the purpose of indicating the quality of the article; for example, a "fine brand" of cigars.

BRAZIL. Brazil extends over nearly half the continent of South America. It is bounded on the north-east and east by the Atlantic Ocean, while its land boundaries touch upon every other country of South America except Chili. The extent of its coast-line is nearly 4,000 miles.

The area of Brazil is nearly as great as that of the United States, and its population is about eighteen millions. The portion of the country which can be said to be peopled comprises less than half the total area, and is for the most part included in the states bordering on the Atlantic.

Portuguese is the language of the people of Brazil. In all the other South American republics Spanish is spoken.

Situated for the most part in the torrid zone, Brazil has generally a tropical climate. In the vast lowland plain of the north, comprising the basin of the Amazon, and lying near the equator, the heat is very great. In the southern part the land rises gradually towards the interior. Owing to its elevation, the temperature of this highland is considerably lower than that of the northern plain. In the higher lands the products are those of the temperate zone. Along the coasts, and in the river basins, the vegetation is tropical.

Vast areas of the interior are covered by dense forests, which supply valuable woods of various kinds. Among the best known timber trees are rose-wood and satin-wood; shell-wood, from which beautiful articles of imitation shell are made; the cocoa-tree and the rubber tree; and Brazil-wood and fustic, from which red and yellow dyes are obtained. Besides these, numerous medicinal plants, including sarsaparilla and ipecacuanha, are found in Brazil, especially in the basin of the Amazon.

Among the agricultural products, by far the most important is coffee. Brazil produces and exports more coffee than all the rest of the world together. Half the total quantity exported goes to the United States. Next to coffee, the most valuable field products and exports of Brazil are sugar and cotton. The cereals and vegetables of the temperate zones are successfully cultivated. Tobacco, rice, and flax are also grown.

Mandioca, or manioc, is one of the characteristic products of Brazil. It is the plant from which tapioca is obtained. Large quantities are exported, and it forms the principal farinaceous food of the people.

The mineral resources of Brazil are very great, but, with the exception of gold and diamonds, they have been very little developed. Besides gold and diamonds, Brazil has deposits of silver, lead and graphite, as well as mountain masses of iron. In the state of Goyaz are enormous ore-beds. There are also strata of Brazilian "pebbles," from which lenses are made, coal, marble, and beds of kaolin.

Immense numbers of horses, cattle, and sheep are raised in Brazil. In the southern states vast herds of horses and oxen roam at large over the great plains. The oxen are taken with the lasso, and are valued mostly for their hides, which are exported in great quantities.

Manufactures have made but little progress in Brazil. Woollen fabrics of good quality, including fine cashmeres and merinos, are made in the southern state of Rio Grande do Sul. In this state there are also iron-mills and sugar-refineries, besides tanneries, breweries and distilleries. In the states of Minas Geraes and Sao Paulo cotton goods are manufactured, the machinery being imported from the United States and Europe. At Rio de Janeiro there are cotton and silk factories.

Brazil has about 6,000 miles of railway, partly owned and partly guaranteed by the Government. Nearly all the lines connect seaports with inland navigable rivers. The railway system is best developed in the southern coast states, particularly in the great coffee state of Sao Paulo.

The area drained by the Amazon in its course from the Andes to the Atlantic is not less than 2,500,000 square miles in extent. With its numerous affluents, the Amazon affords navigation for large vessels for thousands of miles. In the east and south two other great rivers, the Sao Francisco and the Parana, with their many tributaries, supply another great system of navigable waterways.

The foreign commerce of Brazil is mainly with Great Britain, the United States, France, and Germany. The leading exports are coffee, rubber, sugar, cotton, hides, and tobacco. The imports, in the order of their value, are cotton goods, wines and spirits, preserved meats and fish, woollen goods, iron and steel goods, coal, and manufactures of leather. Most of the food-stuffs are imported from the United States, and most of the cotton goods and iron and steel manufactures from England. The annual value of the exports from Brazil to the United Kingdom is about four millions. Brazil imports from the United Kingdom products to the value of £5,500,000, the chief items being manufactured goods and machinery.

Rio de Janeiro, the capital of Brazil, situated on the Atlantic coast, is the principal seaport of the republic. It has an excellent harbour, and a great shipping trade. More than half the coffee exported from Brazil is shipped here, for which reason it is commonly spoken of as "Rio" coffee. The city contains 674,972 people.

Pernambuco (or Recife, Portuguese for "the Reef"), a seaport at the most eastern point of the Atlantic coast, exports large quantities of sugar and cotton. Pernambuco has submarine cable communication with Lisbon.

Bahia, in the coast state of the same name, is the third city in population, and an important seaport. It has an extensive export trade in the chief products of the state, which are sugar, tobacco, cotton, coffee, cocoa, and fruits.

Para (or Belem), the most important seaport of the north, is situated near one of the mouths of the river Amazon. It has a very great shipping commerce with the United States and Europe. Rubber is the principal export. Other exports are cocoa, Brazil-nuts, vanilla, cabinet woods, skins, and feathers.

British ships do a great deal of the carrying trade to and from Brazil. There are three lines of English steamers, one German line, and one American line trading to Brazilian ports.

Great Britain has consular representatives at Rio de Janeiro, Bahia, Para, Pernambuco, Rio Grande del Sul, Santos, Ceará, Maceio, Maranham, Porto Alegre, Manaos, Curityba, Parangua, and Santa Catharina. In addition to a Consul-General in Liverpool Brazil has consular representatives at Belfast, Birmingham, Bristol, Cardiff, Cork, Cowes, Dover, Dublin, Dundee, Edinburgh, Falmouth, Glasgow, Hull, Leith, Limerick, Manchester, Milford Haven, Newcastle, Plymouth, Portsmouth, and Southampton.

The regular mail service to Brazil is a weekly one. Rio de Janeiro is 5,750 miles distant from Southampton, and the time of transit is seventeen days. To Pernambuco the time is three days less. The cost of telegrams varies

from 3*s.* to 5*s.* 7*d.* per word.

BREAKAGE. (Fr. *Réfaction pour casse*, Ger. *Bruch*, Sp. *Fractura.*)

An allowance made for goods broken.

BRIEF. (Fr. *Dossier, Bref*, Ger. *Klageschrift, Vorladungsschreiben*, Sp. *Memorial, Mandato judicial.*)

This term, which is derived from the Latin *brevis*, may mean either

(1) A short account of a client's case for the instruction of counsel in the conduct of an action ;

(2) A writ, summoning a man to answer to an action.

BRITISH SHIP. (Fr. *Vaisseau anglais*, Ger. *ein britisches Schiff*, Sp. *Buque británico.*)

In order to constitute a vessel a British ship, it must be owned exclusively by British subjects, natural born or naturalized, or by a corporation established under and subject to the laws of some part of the British dominions, and having its principal place of business within the British dominions. An alien is expressly excluded, under section 14 of the Naturalization Act, 1870, from the privilege of holding property in a British ship.

In addition the ship must be registered as a British ship. The registration is dispensed with, under certain conditions, in the case of ships of small tonnage. It may be effected, on the application of the owner or his agent, at any port within the British dominions, and the port is then known as the port of registry, that is, the port to which the ship belongs.

Many preliminaries must be fulfilled before an application for registration can be made. The name of the vessel must be painted or marked on the bows, and her name and port of registry on the stern. The official number and tonnage must be cut on her main beam. Her draught must be indicated by letters or figures on the stern post. A "certificate of survey" must be handed in, such certificate containing the information necessary to identify the ship, and, on the first registration, a "builder's certificate," giving additional particulars. All these requirements are set out in sections 7–10 of the Merchant Shipping Act, 1894. The owner must also make a declaration to the effect that there are no reasons existing, as far as he knows, for disentitling the vessel to be registered as a British ship. The name of the master must also be stated.

All these particulars are entered in what is called the "Register Book," and the registrar, on completion of the registration, grants a certificate of registry to the applicant. Any change of ownership must be indorsed upon the certificate as soon as possible after such change.

Unless a vessel is registered as a British ship she cannot claim any of the privileges and advantages attaching to such a status, and cannot use the British flag, under penalty of forfeiture.

The provisions as to the ownership of a British ship are as follows :—

(1) The property in a ship shall be divided into sixty-four shares.

(2) Not more than sixty-four individuals shall be entitled to be registered at the same time as owners of any one ship ; but this rule shall not affect the beneficial title of any number of persons, or of any company represented by or claiming under or through any registered owner or joint owner.

(3) No person shall be entitled to be registered as owner of a fractional part of a share in a ship ; but any number of persons, not exceeding five, may be registered as joint owners of a ship, or of any share or shares therein.

(4) Joint owners shall be considered as constituting one person only as regards the persons entitled to be registered, and shall not be entitled to dispose in severalty of any interest in a ship, or in any share therein, in respect of which they are registered.

(5) A corporation may be registered as owner by its corporate name.

No notice of any trust, express, implied or constructive, may be entered in the register book or received by the registrar. The registered owner of the ship or of a share therein has absolute power to deal with his interest, or dispose of it in the manner provided by the Act.

When a ship is owned by several persons the management is generally left to an individual who is known as the "ship's husband." He has complete control over the use and employment of the ship. If this course is not adopted, the will of the majority of the part owners governs the use and employment, though, before any voyage can be undertaken to which the minority object, an indemnity must be given by the former to the latter to the extent of the latter's interest. If, then, the ship is lost, the minority are secured ; but if she returns in safety they are not entitled to any share in the profits of the voyage. To avoid difficulties of this

kind, it is the common practice for joint owners, when no ship's husband is appointed, to expressly agree upon the terms by which they will consent to be bound.

As to the transfer and sale of a British ship, see *Bills of Sale* (*Shipping*).

BROAD ARROW. Fr. *Empreinte, la grande flèche,* Ger. *breitköpfiger Pfeil,* Sp. *Contraseña.*)

This is the Government mark thus ⅄ stamped upon or cut in all solid materials used in Government ships or dock-yards, in order to prevent embezzlement of stores.

BROKER. (Fr. *Courtier,* Ger. *Makler,* Sp. *Corredor.*)

A broker, who is a mercantile agent within the meaning of the Factors' Act, 1889, is an agent who is employed to buy or sell goods or merchandise for other people. His employment is primarily to establish privity of contract between two parties. Unlike a factor, he is not entrusted with the possession of the goods or merchandise, and cannot sue or act in his own name. As he has not possession he has no right of lien; but there is an exception in the case of an insurance broker, who can retain the policy of insurance for the general balance due to him.

A broker must act strictly according to the instructions given to him, otherwise he forfeits his right to remuneration, or, as it is called, brokerage. He must use his best skill in his work, and he cannot delegate another to do the work for him.

The usual mode of dealing is for the broker to make entries of the terms of the contract in a book, which entries are signed by him, and then to send particulars to both parties. The document sent to the buyer is called the "bought note," and that sent to the seller is called the "sold note." If these documents agree the terms of the contract are defined. If they differ—and there is no signed entry in the broker's book—the contract may be void. Of course, the broker is the agent of both parties to sign the contract in order to satisfy the Statute of Frauds, and the Sale of Goods Act.

BROKERAGE. (Fr. *Charge de courtier,* Ger. *Courtage,* Sp. *Corretaje.*)

The remuneration or reward paid to a broker for carrying out the sale or purchase of goods, shares, etc. It almost invariably takes the form of a commission or percentage of the price of the subject matter of the contract.

BROKERS' CONTRACT NOTES. Fr. *Notes de Con'rat,* Ger. *Schlussscheine,* Sp. *Certificados del Corredor.*)

The documents signed by brokers and sent to their employers as soon as they have sold or bought goods on their behalf and according to their instructions. The note sent to the buyer is called the "bought note," that sent to the seller is called the "sold note." The notes should be precisely the same, except that the word "bought" is in one, and "sold" in the other.

BROKERS' ORDERS. (Fr. *Permis d'embarquement,* Ger. *Verschiffungsinstruktionen,* Sp. *Órdenes de Correduría.*)

These are indorsements of ship-brokers on receiving notes, authorizing certain goods to be brought alongside a ship in barges, and requesting the officer in charge of the vessel to take them on board.

BROKERS' RETURNS. (Fr. *Renvois de courtiers,* Ger. *Schiffszettel,* Sp. *Estadística del Corredor.*)

Lists sent to ship-brokers, showing all the goods which have been placed on board ship.

BUCKET SHOP. (Fr. *Coulisse,* Ger. *Winkelbörse,* Sp. *Bolsin.*)

A slang term applied to the offices of outside brokers, that is, the men who are not members of the Stock Exchange.

BULGARIA. Bulgaria includes Eastern Roumelia, and has the Black Sea on the east, Turkey on the south, Servia and Macedonia on the west, and the Danube on the north. Population, 3,750,000. Area, 40,000 square miles. The surface is divided into noble valleys by mountain offshoots. It is well watered by the Danube and smaller rivers. Where cultivated, the soil is very productive. The people are mainly engaged in agriculture. Productions: stock-rearing is the chief industry; more corn is grown than is required; large forests of valuable trees exist, and hemp and flax are extensively cultivated. Manufactures include woollens, Morocco leather, and rifle barrels. Exports: wheat, cattle, tallow, hides, timber, woollens, essence of roses, tobacco, cheese, and eggs. Imports: manufactured goods—chiefly textiles—machinery, metal goods, building materials, petroleum, coal, and paper.

Annual value of exports to the United Kingdom, £400,000; of imports from the United Kingdom, £500,000. Chief ports are Varna and Bourgas.

The capital is Sofia, with a population

of 48,000.

Railways connect Sofia with Constantinople and Belgrade, and Rustchuk with Varna.

There is a British Agent and Consul-General at Sofia, and consular representatives at Philippopolis, Rustchuk, Varna, and Burgas.

Mails are despatched twice daily. Sofia is 1,416 miles distant from London, and the time of transit is three days. The cost of telegrams is 4*d.* per word. Private telegrams in code or cypher will not be accepted for Bulgaria.

BULL. (Fr. *Haussier*, Ger. *Haussier*, Sp *Alcista.*)

A speculator who contracts to buy stocks or shares in the expectation of being able to sell them at a higher price before the next settlement. A "Bull," therefore, is one who buys for a rise in price, and a "Bear," one who sells for a fall in price.

BULLION. (Fr. *Lingot, Matières d'or et d'argent*, Ger. *Edelmetall*, Sp. *Pasta.*)

Originally the name of the mint where metals were converted into stamped money. This appears from statutes of the reigns of Edward III. and Henry IV. The name is now confined to gold and silver, considered simply as merchandise in distinction to specie or coin.

BUOY DUES. (Fr. *Droits de bouée*, Ger. *Tonnengeld*, Sp. *Derechos de boyas.*)

The Trinity House claims certain dues from all ships entering ports where buoys are placed. These buoy dues are sometimes collected as a tonnage, varying from ½*d.* to 2*d.* per ton; sometimes as a payment on entering or leaving the port, and in some cases as a rate on the vessel, from a few pence to a few shillings. Many coasting vessels pay 5*s.* per annum, whatever number of voyages they make.

BURDEN or BURTHEN. (Fr. *Contenance*, Ger. *Tonnengehalt*, Sp. *Capacidad.*)

The carrying capacity of a vessel. Owing to peculiar build, etc., there is often a great difference between the registered tonnage of a vessel and the weight of goods which can be stowed on board.

BUREAU-DE-CHANGE. French. (Ger. *Wechselkontor*, Sp. *Cambio de monedas.*)

A shop or bank where foreign money is exchanged for the specie of the country in which the bureau is situated, or *vice versâ*.

BUSHEL. (Fr. *Boisseau*, Ger. *Scheffel*, Sp. *Fanega.*)

A measure of capacity used for grain, fruit and other dry goods. The imperial bushel measures 2218·2 cubic inches, and contains 80 lbs., or ten gallons of water.

BUYERS OVER. (Fr. *Excédent d'acheteurs sur vendeurs*, Ger. *mehr Geld als Briefe*, Sp. *Mayoría de compradores.*)

This is a market term meaning that there are buyers, but no sellers—more buyers than sellers.

BUYING IN. (Fr. *Acheter, racheter*, Ger. *einkaufen*, Sp. *Comprar.*)

If a seller has not delivered his securities to a buyer on the date stipulated, the latter can enforce delivery by buying in against the seller, and the seller is then responsible for all charges and expenses to which the buyer is put in getting the delivery of his purchase. On the London Stock Exchange a seller is allowed ten days after the settlement before the buying in is officially enforced, but the time allowed and the manner of enforcing delivery vary on other exchanges according to the rules by which the members are governed.

BYE-LAW. (Fr. *Statut, règlement*, Ger. *Statut*, Sp. *Estatuto.*)

A private law or order made by any society, corporation, or company, in contradistinction to the law of the country.

C. This letter occurs in the following abbreviations:—

C/–, Currency or coupon.
C/A, Capital account.
C/B, Cash book.
C/P, Charter party.
C. & F., Cost and freight.
C.F.I., Cost, freight, and insurance.
Cg., Centigramme.
Cha., Chain.
Cl., Centilitre.
Cm., Centimetre.
Cr., Creditor.
Cum d/– With dividend.

CABLE. (Fr. *Câble*, Ger. *Kabel*, Sp. *Cable.*)

This word has several meanings.

(1) A strong rope or chain for holding a ship at anchor.

(2) A metallic core surrounded by insulating material, now of such importance in oceanic telegraphy.

(3) A message sent by submarine cable.

CABLEGRAM. (Fr. *Télégramme sous-marin, Câblegramme*, Ger. *Kabeldepesche*, Sp. *Cablegrama.*)

A message sent or received through a telegraph cable.

Since the establishment of the first

cable between Dover and Calais, in 1851, cables have been laid down connecting almost the whole of the civilized world. A large portion of these are owned by different Governments, though many are in the hands of public companies.

Telegraphic messages sent abroad are subject to a code of thirty-three rules. The rates for sending messages are being continually reduced. At present the cheapest communication is with Belgium, France, Germany and Holland, viz., 2*d.* a word, closely followed by Austria, Denmark, Italy, Norway and Switzerland, at 3*d.* a word. A message to Russia costs 5½*d.* a word, and to Turkey, 6½*d.* Communication with Canada and the United States is made at the rate of from 1*s.* to 1*s.* 6*d.* a word, with India, 2*s.* 6*d.* to 3*s.* 8*d.*, with Australia and New Zealand, 2*s.* 10*d.* to 3*s.* 4*d.*, with South Africa, 3*s.* and upwards, and with South America, 3*s.* 6*d.* to 6*s.* 9*d.*

In order to save the cost of lengthy telegrams it is customary for business houses to use a code, which may consist of words or figures. If words are used, no one of them must exceed fifteen letters in length, otherwise the additional letters will be charged at the rate of fifteen to the word, and the language employed must be English, French, German, Italian, Spanish, Portuguese, Dutch, or Latin. If the telegraph message is composed of figures, wholly or in part, each separate figure is charged as one word, and every group of five figures is charged as a word, any addition being counted at the rate of five figures to a word.

CALL. 1. (Fr. *Appel de fonds*, Ger. *Einzahlungsaufforderung*, Sp. *Citación.*)

An instalment of the capital of a joint-stock company which a shareholder is called upon to pay.

If the prospectus does not provide for the subscription of the whole of the capital of the company within a certain date after its formation, the Articles of Association must contain a clause or clauses dealing with the manner in which the directors may call upon the shareholders to pay either a portion or the whole of what is due upon the shares held by each. The call must be made in strict accordance with the articles, as any irregularity will entitle a shareholder to resist payment. Thus, it must be made by duly appointed and duly qualified directors, and the proper length of notice must be given. Again, the call must be regular and *bonâ fide*, and made in the interest of the company. If the power is exercised wrongfully for the directors' own ends, or for other indirect purposes, there is an abuse of authority, and a shareholder may restrain the call by injunction. In order to succeed, however, a very strong case must be made out, as the court is not too eager to interfere with the discretion of the directors in the matter of calls.

There is generally a clause in the articles which provides for the forfeiture of the shares in respect of which default has been made in the payment of a call. It is an abuse of their power for directors to make a call with the object of enabling a shareholder to escape his responsibility by forfeiting the shares which he holds. Partly paid shares which have been forfeited can be sold by the company, with the benefit of the amount paid up upon them before forfeiture.

Payment of calls may be enforced by action, and it is a breach of trust on the part of the directors if they do not take reasonable steps to obtain the money due. It is now the common practice to sue for the amount of the call on a specially indorsed writ, and proceed under what is known as Order XIV. The estate of a deceased member, so long as his name remains on the register, is liable for calls.

Every call is in the nature of a specialty debt, and a company can sue upon it any time within twenty years.

When a company is being wound up, the liquidator is empowered, with the sanction of the committee of inspection, or by leave of the court when there is no committee, to make a call upon the contributories, that is, the persons who were members of the company at the commencement of the winding-up, or, in certain cases, those who have ceased to be members within a year of the winding-up, to supply funds rateably in order to satisfy the debts of the company.

CALL. 2. (Fr. *Droit d'achat, prime*, Ger. *Prämiengeschäft*, Sp. *Derecho de compra.*)

A Stock Exchange term, which in full is a call option. It is a mode of dealing in stocks, shares, or other commodities, whereby an operator, on payment of a certain premium, is entitled to purchase the commodity or shares in question at a given price, within a certain limited time. The profit to be gained depends solely upon

the movement of the market, and the loss is limited to the amount of the premium. The opposite of a call option is put option.

CALLED BOND. (Fr. *Bon sorti et perimé*, Ger. *ausser Kurs gesetztes Wertpapier, einberufenes Wertpapier*, Sp. *Bonos premiados.*)

A bond which has been called in for payment on a certain date, after which time it ceases to bear interest.

CALL MONEY. (Fr. *Emprunt remboursable sur demande*, Ger. *tägliches Geld*, Sp. *Dinero en depósito para retirarlo sobre demanda.*)

Money lent by bankers and others to bill brokers at an agreed rate of interest for repayment at a moment's notice.

CALL OF MORE. (Fr. *Droit d'acheter davantage au même prix*, Ger. *Nachforderungsgeschäft*, Sp. *Derecho de comprar al mismo precio.*)

The right to call at a certain date an equal amount of stock to that which has just been bought. In some markets this is called an "option to double."

CAMBIO. (Fr. *Cambio*, Ger. *Kambialrecht*, Sp. *Cambio.*)

This term, which is derived from a Low Latin word, meaning I change, is in use in the mercantile phraseology of Holland in the sense of exchange.

CAMBIST. (Fr. *Cambiste*, Ger. *Kambist*, Sp. *Cambista.*)

This word is derived from the Italian, *cambista*, and signifies a banker or money-changer. It is applied to a person who exchanges foreign money, or deals in foreign notes or bills of exchange. It also means the books in which the weights, measures, and moneys of different countries are converted into those of one particular place.

CANADA. *Provinces, etc.*—The Dominion of Canada includes the whole of North America to the north of the United States, except Alaska, on the north-west, and Greenland, on the north-east. It consists of seven provinces and nine provisional districts.

I. THE SEVEN PROVINCES.

Provinces.—Nova Scotia, area, 21,000 square miles; capital, Halifax. Prince Edward Island, area, 2,000 square miles; capital, Charlottetown. New Brunswick, area, 28,000 square miles; capital, Fredericton. Quebec, area, 229,000 square miles; capital, Quebec. Ontario, area, 222,000 square miles; capital, Toronto. Manitoba, area, 74,000 square miles; capital, Winnipeg. British Columbia, area, 383,000 square miles; capital, New Westminster.

II. THE NINE PROVISIONAL DISTRICTS.

The nine provisional districts into which the old north-west and north-east territories have been divided, beginning at the west and going eastward, are as follows:—

Yukon includes the Klondike Region, with its rich gold-fields round Dawson City.

Mackenzie occupies all the lower part of the basin of the river bearing the same name.

Athabasca lies to the south of Mackenzie; Keewatin includes the land to the west, and Ungava lies to the east of Hudson Bay. Franklin includes all the icy islands in the Arctic Ocean to the north of the Dominion. All the above, with the exception of a portion of the Yukon, are the domains of the hunter and trapper, the Indian and the Eskimo.

To the south of Athabasca lie three districts in which settlement has commenced.

Alberta, capital Calgary, is a ranching and coal-mining country to the east of the Rocky Mountains.

Saskatchewan, capital Battleford, will become a rich agricultural province when settled.

Assiniboia, capital Regina, is a splendid wheat-growing country

The total area is 3,654,000 square miles, and the population is nearly 5,400,000.

Configuration.—From a physical point of view, the Dominion of Canada may be divided into an eastern and a western division, the Red River Valley forming the line of separation.

The Eastern Division consists of three distinct areas:—

(1) The south-eastern portion, stretching along the southern shore of the Gulf and River St. Lawrence, and running southward to Lake Champlain, is generally hilly, with some fine stretches or arable and pastoral lands.

(2) The southern and western area, a broad, level and slightly undulating expanse of generally fertile country, the chief feature of which is the chain of great lakes.

Lakes.—Superior, area, 32,000 square miles, 900 feet deep, 600 feet above sea-level. Huron, area, 23,000 square miles, 450 feet deep, 580 feet above sea-level. Michigan, area, 23,000 square miles, 900 feet deep, 580 feet above sea-level.

Erie, area, 8,000 square miles, 250 feet deep, 560 feet above sea-level. Ontario, area, 7,000 square miles, 500 feet deep, 230 feet above sea-level.

(3) The northern area, embracing nearly two-thirds of the Dominion, with an average elevation of one thousand feet above the level of the sea, presenting a region of water-ways, and including the great Laurentian Mountain Range, a series of very ancient water- and ice-worn heights. In this area are the two great river systems of the Saskatchewan-Nelson and Mackenzie, with their numerous lakes.

Lakes.—Athabasca, area, 10,000 square miles; position, in the basin of the Mackenzie. Great Slave, area, 14,000 square miles; position, in the basin of the Mackenzie. Great Bear, area, 14,000 square miles; position, in the basin of the Mackenzie. Winnipeg, 12,000 area, square miles; position, in the Saskatchewan-Nelson river. Winnipegosis, area, 6,000 square miles; position, in the Saskatchewan-Nelson river. Manitoba, position, in the Saskatchewan-Nelson river.

The Western Division comprises three districts equally distinct in character :—

(1) The great Prairie Region reaching from the Red River Valley to the foot-hills of the Rocky Mountains, rising to the west in three terraces.

(2) The Rocky Mountain } Regions, a

(3) The Pacific Slope } wooded country, containing three mountain ranges—the Rockies, the Gold Mountains and the Cascade Range.

Productions.—The natural resources of the Dominion, although very great, are not fully developed, because most Canadian products are shut out by duties from their natural markets in the United States, but trade with the United Kingdom is greatly on the increase, and is being fostered by both Governments. An area, about half as large as England, is devoted to crops, the chief of which are wheat, barley and oats. Much more is pasture land for cattle rearing and dairy farming. The forests of Canad are of vast extent, and the timber, chiefly white pine, exceeds in value that of any other product. The principal lumbering area lies to the north of the River Saint Lawrence, to which the felled timber is floated down the many tributaries. The fisheries rank next in importance, the produce being worth about four millions sterling annually. The cod of the Atlantic fisheries, and the salmon of the Pacific rivers, are the most valuable kinds caught. The most important of the minerals is coal, although copper and nickel are mined, and gold has recently been discovered in the basin of the Yukon, where Dawson City has sprung up as if by magic.

Commerce.—The principal manufactures of Canada are those of her own products, leather, lumber and grain.

The commerce of Canada is mainly with the Mother Country and the United States, and is about equally divided between them. The principal exports are forest products, cheese, cattle and fish. The leading imports are iron goods, wool, coal, and sugar, the last two being imported from the United States.

The principal articles of trade between Canada and Great Britain are as follows :—

The Imports, from Canada to the United Kingdom, which annually amount to about twenty millions sterling, consist chiefly of the following articles :—

	Millions £
Wood and timber	5½
Corn and meal	5
Cheese, butter and eggs	4½
Animals	2½
Bacon and ham	1½
Fish	1
Skins, furs and leather	½

The Exports to Canada from the United Kingdom, which annually amount to less than half the imports, consist chiefly of

	Millions £
Woollen goods	1½
Cotton goods	1
Metals	1
Clothing and hats	½

Merchant Fleet.—The Dominion of Canada has a larger merchant fleet than any other British Colony, including the Empress Line of steamships, which runs from Vancouver City to Japan and China, calling at Yokohama, Shanghai, and Hong Kong, carrying the British mails; the Canadian-Australian Line, which, starting from Vancouver City, communicates with Hawaii, Fiji, New Zealand and Australia; and the Canadian Steamship Company, whose vessels ply between Paspebiac, on Chaleur Bay, and Milford Haven, in Wales. The Canadian Government are about to start a new fast steamship service between Halifax and Liverpool. The British Government have undertaken to provide a subsidy of £75,000

per annum.

Railways.—The two chief railway lines are the Canadian-Pacific and the Grand Trunk.

The Grand Trunk Railway forms a continuous line through the provinces of Ontario and Quebec. The eastern extremities of the line are Quebec and Portland (Maine, U.S.), and it extends westward to Detroit and Chicago. It supplies the means of communication with Montreal, Toronto, Hamilton, Niagara, and all the principal towns in the provinces of Quebec and Ontario.

The Canadian-Pacific Railway stretches across the entire continent from Montreal to Vancouver City, a distance of nearly three thousand miles.

THE PROVINCES.

Nova Scotia.—Nova Scotia, including the peninsula of that name and the Island of Cape Breton to the north-east of it, is about two-thirds the size of Scotland, and has a population somewhat greater than that of Birmingham. In the northern part of the province are rich deposits of coal. Having many fine natural harbours, ship-building and the fisheries are the two principal industries; and most of the Canadian export of fish is from this province.

The only large town in Nova Scotia is Halifax, the capital, with a population not quite half as great as its namesake in England. As a sea-port it ranks third in the Dominion, being seldom closed by ice. Halifax is a trading, rather than a manufacturing, town, but it does some sugar-refining and cotton-spinning. The splendid harbour is defended by forts, and the town is garrisoned by British troops.

Prince Edward Island.—Prince Edward Island, the smallest of the Canadian provinces, is about equal in area to the county of Norfolk, in England, although it is less than one-fourth as densely populated. It is situated to the south of the Gulf of St. Lawrence, between New Brunswick and Nova Scotia.

Charlottetown, on a commodious bay of the south coast, is the capital. It is a little place, having a population about equal to Lewes, in Sussex. Some wooden ship-building is done here, while grain, potatoes and fish are exported.

New Brunswick.—New Brunswick joins Maine, U.S., on the east. It is nearly as large as Scotland, and has a population about equal to that of Sheffield. As this province has a great forest area, the people are engaged in lumbering, ship-building, and fishing.

Fredericton, the capital, a small town, about ninety miles from the mouth of the St. John River, rather less in size than Hertford, is a centre of the lumber trade.

St. John, the largest place in the province, has a fine harbour on the Bay of Fundy at the mouth of the river of the same name. Its population is equal to that of Carlisle; and, as its harbour is never closed by ice, its foreign commerce ranks next to Halifax among Canadian ports. St. John exports timber, fish, and furs.

Quebec.—Quebec, a province of vast size, most of which is forest and wilderness, occupies the lower part of the basin of the River St. Lawrence, but two-thirds of its area have never been explored. The chief natural production is timber; and the population numbering over a million and a half, four-fifths of whom are of French descent, live near the River St. Lawrence, and in the region between that river and the boundary of the eastern United States.

Montreal, about the same size as Bradford, in Yorkshire, the largest city of the Dominion of Canada, is situated on an island in the River St. Lawrence, at the spot where the Ottawa River flows into it. The river is navigable to this point for ocean steamships, and Montreal has a larger foreign trade than any other Canadian port. The St. Lawrence rapids, just above the city, are avoided by means of the Lachine Canal, which also furnishes water-power for the factories of Montreal. The river front is lined, for more than a mile, with fine docks and wharves.

Quebec, the capital of the colony, is situated on the River St. Lawrence, near the head of the estuary. The population of the city is a little greater than that of Northampton, and the only business of note is the export of timber.

Ontario.—The Province of Ontario, about two-thirds the size of Quebec, is nearly twice as large as the United Kingdom. The northern half is a wilderness, and the greater part of the population of just over two millions occupies the peninsula between Lakes Ontario, Erie and Huron. The land is generally very fertile, and the climate in the south-western part is warm enough to ripen grapes for making wine.

Toronto, on a fine harbour of the northern shore of Lake Ontario, the

capital and chief city of this province, has a population nearly equal to that of Newcastle-on-Tyne. It has great shipping interests on the lakes.

Hamilton, the Birmingham of Canada, at the western extremity of the same lake, has a population equal to that of Great Yarmouth.

Ottawa, the seat of the Dominion Government, is a trifle larger than Worcester. It is situated on the River Ottawa, about 100 miles west of Montreal. Like many other river-ports of the Dominion, its principal business is connected with the timber trade.

Manitoba.—Manitoba, a thinly peopled province, slightly less in area than the United Kingdom, has a population less than that of Portsmouth. The fertile lands of the Red River basin are well suited for wheat culture, and that cereal is the principal product.

Winnipeg, near the lake of the same name, is the capital and chief town, being about as large as Gloucester. It is an important station upon the Canadian-Pacific Railway, and communicates by river and railway with the neighbouring United States.

British Columbia.—British Columbia is the name given to a vast western region, nearly twice the area of France, having a few small towns in its south-western part. The total population is less than 100,000, or about equal to that of Birkenhead. Coal of excellent quality is mined at Nanaimo, on Vancouver Island. There are extensive forests, and the salmon fisheries are yearly increasing in value.

Victoria, the capital, is a small town, about as large as Stafford, at the south-eastern extremity of Vancouver Island The fine harbour is a British naval station, and the head-quarters of the Pacific fishing fleet of the Dominion.

Vancouver City, on the mainland, opposite Victoria, about the same size as Victoria, is the western terminus of the Canadian-Pacific Railway.

New Westminster, a little town about the same size as Dorchester, is the port of departure of the Empress and Canadian-Australian lines of steamships.

The Provisional Districts.—Between Manitoba and British Columbia, the temperate regions of Canada have been mapped out into the four districts of Assiniboia, Saskatchewan, Alberta, and Athabasca.

Assiniboia, the most south-easterly of these districts, is a splendid wheat-growing country, through which the Canadian-Pacific Railway runs. It is about the size of Great Britain, but contains only a few people at present.

To the north of Assiniooia lies the district of Saskatchewan, which is nearly as large as Italy; and, in time, will become a rich agricultural country.

Sheltered by the Rocky Mountains lies the rich grazing country of Alberta, which is also rich in minerals; and lastly, to the north, we have the district of Athabasca, of which little at present is known.

To the west of Hudson Bay is the hunting and fishing district of Keewatin, a tract of land more than twice as large as the United Kingdom.

The unsettled Provisional Districts of the north, formerly the north-west and north-east territories, stretch from the boundaries of the districts mentioned above right away to the icy shores of the Arctic Ocean, and still further north, to include the frozen islands within the Arctic Circle, where polar bears and seals roam over the ice, and where gigantic whales abound.

Money, Weights, and Measures.—The standard of money is the dollar of 100 cents. The value of the money of the United Kingdom is legally fixed as follows: The sovereign, 4·86 dollars; the crown, 1·2 dollars, and the half-crown, florin, shilling, and sixpence at proportionate values. Canada has no gold coinage of its own, but the English sovereign and the United States gold eagle of 10 dollars, with its multiples and halves, are legal. Notes are issued exclusively by the Government for 1, 2, and 4 dollars, as well as for 25 cents, but no bank is permitted to issue notes for a less sum than 5 dollars.

The legal weights and measures are the imperial yard, the imperial pound avoirdupois, the imperial gallon, and the imperial bushel. By an Act of Parliament of 1879, the hundredweight was declared to be 100 lbs. and the ton 2,000 lbs. avoirdupois, as in the United States.

Canada has joined the Imperial Penny Postage, and letters are, therefore, transmitted at the rate of one penny per half ounce. Mails are despatched by different routes four times a week, and the time of transit varies from nine to fifteen days, the former being the average for Montreal and Quebec, the latter for Vancouver. The cost of telegrams ranges from 1*s.* to 3*s.* 2*d.* per word.

CANAL. (Fr. *Canal*, Ger. *Kanal*, Sp. *Canal.*)

An artificial water-way for the passage of barges and small vessels.

The advantages attached to canal transit are :—

(1) The method of carriage is so tender to the articles carried that no damage is likely to take place in transit. There is neither pitch nor toss as at sea, and there is a total absence of the shaking so common on railways. Canal traffic is especially valuable for the carriage of coal.

(2) In the use of goods for shipment or *vice versâ*, canal boats can go direct to the ship's side, without the necessity of going into dock, and without transhipment.

(3) The cost of carriage is much cheaper by water than by rail.

The great disadvantage as compared with railway transit is less speed. But this only arises when there are direct fast services of express goods trains. In many cases the railway advantage is nothing, but there is a saving of time when it comes to delivery.

The canal system of each country is referred to under separate headings.

CANCEL. (Fr. *Annuler*, Ger. *annullieren*, Sp. *Cancelar.*)

To render a document of no legal effect. In commercial matters it is the usual custom to write the word "cancelled" across the document, and to follow with the signatures of the parties.

CANDLEMAS DAY. The 2nd February, one of the Scottish Quarter Days.

CAPACITY. (See *Contract.*)

CAPE COLONY. Cape Colony includes the part of Africa south of the Orange River, and, in addition, the diamond fields of Griqualand West, British Bechuanaland, and Walfisch Bay to the north of the Orange River are included within its limits.

The area is nearly four times that of England and Wales, but the population is only a little over two millions and a quarter, of whom only one-fourth are of European origin. The majority of the white people are Dutch in the West, English in the East.

Surface.—The surface of Cape Colony consists of a series of terraces separated from each other by mountain ranges which run parallel with the coast. Between the mountains and the sea in the south-western part of the colony, the chief grain and wine growing districts are to be found. Between the loftiest ranges of mountains lies the Great Karroo, an elevated table-land, 70 miles wide, where sheep and ostrich farming is carried on. Still further northward the table-land is higher still, and it is here that the chief mineral district of the colony is situated.

Rivers.—The rivers of Cape Colony are numerous, but useless for navigation. They flow in deep ravines, and are either impetuous torrents in the rainy season, or else mere brooks during dry weather. The largest is the Orange, which partly forms the northern boundary of the colony.

Climate and Productions.—The climate of Cape Colony is healthy, but dry, and this dryness renders it a suitable resort for people suffering from lung diseases. The vegetation is marked by the number of brightly coloured flowers, especially heaths, and dense thorny thickets of aloes, called "bush." The native animals are retreating to the north, but elephants and cape buffaloes are still to be found in the forests of the south coast, and springboks are numerous in some parts.

Industries and Commerce.—Diamond-mining and sheep-farming are the industries of greatest importance; and, accordingly, diamonds and wool are the most valuable of the exports. Angora hair, ostrich feathers, hides, and skins are also produced and exported. The imports are cotton and woollen goods, about half the trade being with the Mother Country.

Th exports to the United Kingdom reach an annual value of over 14 millions sterling, the chief of which are :—

Diamonds, £4,500,000; wool, £3,000,000; hides and skins, £700,000; ostrich feathers, £500,000; and copper ore, £300,000.

The imports from the United Kingdom reach an annual value of 11 millions sterling, consisting chiefly of :—

Metal goods of all kinds, £3,250,000; clothing and textile fabrics, £3,250,000; leather, £500,000; books and paper, £300,000; coal and furniture, about £200,000 each item.

Towns.—There are several flourishing towns on or near the southern coast.

Cape Town, the capital of the colony, a place, including suburbs, about as large as Plymouth, lies at the head of Table Bay, twenty miles to the north of the Cape of Good Hope. The harbour has a fine breakwater and docks, and Cape Town is a much frequented port of call, wool and copper being the chief exports. The labouring classes consist of negroes and Malays.

Port Elizabeth, on Algoa Bay, 200 miles east of Cape Town, is a busy seaport.

Kimberley is in the centre of the diamond mines.

Railways.—There are three main lines of railway, viz. :—

(1) The Western, running from Cape Town, through Kimberley, to Bulawayo, in Rhodesia.

(2) The Midland, from Port Elizabeth to Naauwpoort, where it branches (*a*) to Bloemfontein and the Transvaal, and (*b*) to De Aar Junction, where it joins the Western.

(3) The Eastern, from East London to Aliwal North, branching off at Burghersdorp, joining the Midland at Springfontein.

Mails are despatched to Cape Colony and for South Africa generally every Saturday. Cape Town is situated 6,979 miles from Southampton, and the time of transit is seventeen days. The cost of telegrams is 2*s.* 6*d.* per word.

CAPITAL. (Fr. *Capital*, Ger. *Kapital*, Sp. *Capital.*)

In an economic sense, capital is defined as that portion of wealth which is set aside for future production. It is therefore immaterial in what the wealth of a particular person consists. No portion is capital unless there is an intention on the part of the owner to put it apart for the purpose of reproduction. Unused or unemployed wealth is not capital.

For the sake of distinction capital is divided into fixed and circulating, positive and negative.

Fixed capital is that portion of wealth which is expended upon land, buildings, railways, etc. Nothing can really be fixed, because there must be the inevitable wear and tear which require ultimate replacement, but the name is convenient as distinguishing that portion of wealth which is not exhausted in one act of reproduction from that which is, and is called circulating capital, because it needs constant renewal.

Positive capital is that portion of wealth which is represented by money, buildings, stock-in-trade, and all material objects, whilst negative capital consists in credit, such as the right to demand payment for a debt.

In a commercial sense the whole of the property and assets of a business undertaking constitute its capital. In a partnership it is the amount which the partners jointly subscribe for the carrying on of the undertaking, and in a joint-stock company it is the sum subscribed by the shareholders for the purpose of being applied to the establishment or extension of the company's business.

In the case of a joint-stock company, the sum which it is proposed to raise as capital is named in the Memorandum of Association, and this is called the "nominal," "authorized," or "registered" capital of the company. When the whole of the capital is not taken up, that which is represented by the number of shares held by the members is called the "issued," or "subscribed" capital, the remainder being "unissued." That portion of the issued capital which is actually paid by the members of the company is called the "paid-up" capital, the remaining portion for which the shareholders are liable being known as the "unpaid," or "uncalled," capital.

A limited company may, under section 5 of the Companies' Act, 1870, by special resolution declare that any portion of its capital which has not been already called up shall not be capable of being called up except in the event of, and for the purpose of, the company being wound up, and thereupon such portion of capital shall not be capable of being called up, except in the event of, and for the purposes of, the company being wound up.

Since a sole trader, or the partners in a partnership business, are liable for the whole of the liabilities of the concern, he or they may increase or reduce their capital at will. A joint-stock company can only do either of these things by special proceedings. In order to increase the capital a special resolution must be passed to that effect, unless provision has been made for an increase by the Articles of Association. If it is desired to reduce the capital of the company, a petition must be presented to the court for the purpose, and the permission will not be granted unless good cause is shown why the reduction should be made, and unless it is made clear that the interests of all existing creditors are safe-guarded. Even when permission is obtained to reduce capital, the company will generally be compelled to add the words "and reduced" to its name for such period as the court may direct. This is for the protection of those who may afterwards have business relations with the company.

CAPITAL ACCOUNT. (Fr. *Compte de Capital*, Ger. *Kapitalkonto*, Sp. *Cuenta de Capital.*)

In the statement of the financial affairs of great public companies, the capital account is that which is concerned with the capital stock of the company, In railway concerns, for example, the *money obtained for shares, or stock*, and upon debentures, constitutes the capital of the railway company, and serves as the source whence the directors may obtain the means of purchasing land, *locomotives, rails, carriages, and* everything else necessary for the working of the line. Entries concerning the money and the proceeds of the money will be made on opposite sides of the account, the latter, with an allowance for wear and tear, always being kept at such a height as to balance the former, Upon the commencement of business, the opening of the railway for traffic in the case just suggested, another account is commenced,called the revenue account, which is kept totally distinct from the capital account.

CAPITALISTS. Fr *Capitalistes*, Ger. *Kapitalisten*, Sp. *Capitalista.*)

Persons who have sums of money sunk in trade or advanced in speculation, or those who possess a large sum of ready money.

CAPITALIZATION. (Fr. *Capitalisation*, Ger. *Kapitalisierung*, Sp. *Capitalización.*)

The act of converting into capital. The corresponding verb is "capitalizo" (Fr. *capitaliser*, Ger. *kapitalisieren*, Sp. *capitalizado*).

CAPTAIN'S ENTRY. (Fr. *Déclaration du capitaine*, Ger. *Deklaration des Kapitäns*, Sp. *Declaración del capitan.*)

A provisional entry passed by the captain of a ship, when it is desirable to discharge the whole of the cargo at some particular place, or in cases where the merchant has omitted to pass the prime entry within the prescribed time.

CARAT. (Fr. *Carat*, Ger. *Karat*, Sp. *Quilate.*)

The name of the seeds of the Abyssinian carat-flower, which, being very equal in size, were used in weighing gold and precious stones. At the present day, the carat as applied to gold signifies its fineness and purity. Thus, if the piece tested is all gold, it is said to be 24-carat gold. The gold of the English coinage, from the necessity of using a small portion of alloy to harden it, is 22-carat gold; if only half of a piece of metal is gold, it is said to be 12-carat gold, and so on. In the weighing of diamonds the carat is used, but then as a weight and not as a measure of fineness. It is equal to four diamond grains, or 3·17 grains troy, and is divided into various smaller weights.

CARGO. (Fr. *Cargaison*, Ger. *Ladung*, Sp. *Carga.*)

The general name for all the goods and merchandise carried on board a trading vessel. The "deck-cargo" is that portion which is carried on deck, and is not usually included in the policy of marine insurance. The "cargo-book" records the names of the vessel, the owner, the shippers and consignees, the ports of departure and destination, the time of departure, and other particulars for the inspection of the officers of the Custom House.

A person who is often sent with a ship in charge of the cargo, and who is authorized to dispose of it to the best advantage, is called the "supercargo."

CARGO BOOK. (Fr. *Livre d'entrée et de sortie*, Ger. *Ladebuch*, Sp. *Libro de entradas y salidas.*)

A book kept by ship-brokers, containing the weight, mark, numbers, and measurement of all goods taken on board ship, and stating whether they were received by land or water.

CARRIAGE. (Fr. *Port, prix de transport*, Ger. *Fracht*, Sp. *Acarreo.*)

The charge made for conveying goods from one place to another; generally applied to goods sent by rail. (See *Cartage.*)

CARRIER. (Fr. *Voiturier*, Ger. *Spediteur*, Sp. *Arriero.*)

A common carrier is a person who undertakes as his particular business the carriage for hire of goods from place to place, for any persons who choose to employ him. Such are the persons who convey goods from town to town, or country to country, by carriages, barges, or ships. Railway companies are only common carriers to the extent to which they carry goods generally by profession. But a person who conveys passengers only is not a common carrier, nor is the person who carries casually under a special contract.

Duties of Common Carriers.—A common carrier is legally bound to carry goods of the class he professes to carry for any person who offers them for that purpose, and who is willing to pay the usual and reasonable charges for the same. In the absence of a special contract he must carry by the ordinary or reasonable route, though not necessarily the shortest, even when he is entitled by statute to charge a mileage rate. He must also deliver the goods

without unreasonable delay.

His duty is to deliver to the consignee at the place where the consignee desires, or, if no destination is named by the consignee, at the place directed by the consignor.

A common carrier is not compelled to take goods if his carriage is already full, nor if the goods are not of the character he professes to carry. Moreover, he can decline to accept goods which would subject him to extraordinary risks. By statute he may refuse articles of a dangerous nature, such as nitroglycerine.

Liability at Common Law.—The liability of a common carrier at common law is very great. The carrier is presumed to undertake to carry safely and securely. He is, in fact, in the position of an insurer. And the liability lasts as long as the goods are in his custody, that is, not only during transit, but for a reasonable time afterwards, until the goods are delivered to the consignee. After the lapse of a reasonable time—the length of which depends upon the circumstances of the case—the carrier is only liable for negligence unless it is otherwise agreed between the parties.

This heavy liability, arising from any cause, is subject to three exceptions at common law. The first is the "act of God," by which is understood some unforeseen accident or natural cause which could not have been prevented by any reasonable foresight. The second exception is an act of the King's enemies, and the third is that which arises from any "inherent vice" in the goods carried. The term "inherent vice" has a wide meaning, and includes natural deterioration and bad packing. Also if special care is required in the conveyance of goods, the carrier must be informed of the fact in order to fix him with liability.

Except in so far as the common law has been modified by statute, the liability of the common carrier remains what it was. But it was always open to the parties to make special terms limiting that liability. For this purpose express notice was necessary. But if it could be shown that a general notice of limitation of liability had been brought home to the consignor, it was sufficient. If, for example, when goods were delivered by the consignor to the carrier, a ticket with general conditions printed upon it was handed to the consignor, there was strong evidence that the special conditions were known and approved. But such evidence was not, and is not, conclusive. It should, however, be noticed that any agreement or condition exempting the carrier from liability for any loss or damage arising from wilful misconduct or gross negligence, is void.

Land Carriers Act, 1830.—This was the first Act limiting the common law liability of carriers. It applies only to carriers by land, or, if the carriage is partly by land and partly by sea, as long as the goods are on the land portion of their journey.

The object of the Act was to prevent the frequent hardships which arose from the loss by the carrier of valuable goods packed in small compass, and to accomplish this end it was enacted, among other things,

(1) That the carrier should be informed when he was carrying anything especially valuable, so that he might give it a corresponding measure of protection;

(2) That he should be entitled to charge an extra sum for carriage to compensate him for his additional responsibility and trouble.

The value of the goods—which means the value to the consignor, not the price charged to the consignee—is fixed at £10, and the articles include such things as coin, precious stones, jewellery, watches, negotiable securities, pictures, glass, china, and silk. If, therefore, a package containing such articles, of a value exceeding £10, is delivered to a carrier, information as to the nature of the goods and their value must be given at the time of delivery. The carrier is then entitled to make such increased charge as he has given general notice of in his office or other place of business. A neglect of this precaution on the part of the consignor to give notice of the value of the goods will exempt the carrier from all liability, except loss or injury arising from the felonious acts of his servants, or from his own personal misconduct.

The Act further provides that no public notice shall limit the amount of the liability of a common carrier, but it is still open for the parties themselves to come to an express agreement.

The Act does not apply to the luggage which a passenger takes with him on a journey. If this is lost, stolen, or injured, without any default on the part of the passenger, and the luggage is personal, the carrier is responsible for the loss, theft, or injury.

Railway and Canal Traffic Act, 1854.—It has been stated above that railway companies are not necessarily common carriers. To meet the cases of such companies, and also to mitigate the harsh construction of the courts in turning what were practically public notices into special contracts, the above-named Act of 1854 was passed. By this statute railway and canal companies are forbidden to limit their liability, as carriers of goods, by special agreements, unless

(1) The special contract is signed by the consignor of the goods or his agent, and

(2) The terms of the contract are held by the court to be "just and reasonable."

What will be held to be "just and reasonable" must depend upon the particular facts of each case.

The seventh section of the Act provides that, unless a higher value has been previously declared, no greater damages can be recovered for animals conveyed than £50 for a horse, £15 per head for neat cattle, and £2 per head for sheep or pigs.

A later statute, passed in 1868, has somewhat modified the provisions as to public notices, giving them a certain amount of validity in special cases.

Merchant Shipping Act, 1894.—The common law liability of the ship-owner, as to carriage, was precisely the same as that of a land carrier. It was the custom, however, to limit that liability by means of charter-parties and bills of lading. These were, and are, the special contracts made between the consignor and the ship-owner, and are noticed under their respective headings. But as the common law liability of the land carrier was limited by special statutes, so the liability of the ship-owner was diminished by legislation, the last principal Act upon the subject, which is practically a codification of the law on shipping, being the Merchant Shipping Act of 1894.

The main provisions with respect to carriage are the following:—

(1) The ship-owner is exempted from all liability for loss or damage by fire which has happened without his actual fault or privity.

(2) No claim can be sustained for loss or damage caused by robbery, embezzlement, or theft of such things as gold, silver, jewellery, or precious stones, unless the nature and the value of the same have been declared in writing to the ship-owner or master at the time of shipment.

(3) No liability is incurred where loss or damage has occurred whilst the ship was under the control of a pilot, whose employment was compulsory.

(4) The amount of damages recoverable, where loss or damage has occurred without the actual default or privity of the owner, is limited, in respect of goods to £8 per ton of the ship's tonnage, and in respect of loss of life, or personal injury, either alone or coupled with loss or damage to goods, to £15 per ton of the ship's tonnage.

Rights of the Carrier.—The goods must be delivered to the carrier according to the agreement, and the agreed remuneration must be paid to him. The amount of the remuneration must be reasonable, though at common law it need not be uniform. Although no claim for payment can be made before the goods are delivered for carriage, there is no obligation, in the absence of special agreement, to carry before the payment has been made. The most valuable right of the carrier is that of lien, that is, the power of retaining the goods which he is employed to carry until his charges are paid, either by the consignor or the consignee.

CARRYING OVER. (Fr. *Report*, Ger. *Reportgeschäft*, Sp. *Reporte.*)

A Stock Exchange term, signifying the postponement of the settlement of an account from one settling day to another, allowances, contango or backwardation being made for the accommodation. The same arrangement can be made in most of the other exchanges, and when securities are thus transferred from one prompt day to another, they are said to be carried at whatever may be the percentage charged. (See *Stock Exchange*.)

CARRYING TRADE. (Fr. *Transport de marchandises*, Ger. *Frachtgeschäft*, Sp. *Transporte de mercancias.*)

This refers either to the traffic which is carried and handled by the railway companies, carriers, and the like, at home, or to the shipping trade in general carried on with the vessels which go to and from certain ports at home, or ports beyond the seas.

CART NOTE. (Fr. *Lettre de voiture*, Ger. *Begleitschein*, Sp. *Nota de conducción.*)

A note used by the Customs, which is sent with locked vans when dutiable goods are removed from one place to another, either for shipment or warehousing.

CARTAGE. (Fr. *Charriage, charroi*, Ger. *Rollgeld, Anfuhr*, Sp. *Acarreo.*)

A charge made by railway companies, carriers, and others, for carting goods, either to their destination, or to the docks for shipment.

CARTAGE NOTE. (Fr. *Note des frais de charroi*, Ger. *Anfuhrrechnung*, Sp. *Nota de gastos de conducción.*)

A statement of the amount due for the cartage of goods.

CASE OF NEED. (Fr. *Au besoin*, Ger. *Notadresse*, Sp. *En caso necesario.*)

This is an indorsement sometimes put upon a bill of exchange, naming a person who will guarantee payment for the honour of the drawer, or one of the indorsers, should the bill not be met at maturity. The usual form is this :—

In case of need apply to
Messrs. A. B. & Co., D. E.

and it signifies that if the bill is not paid at maturity, Messrs. A. B. & Co. will pay it for the honour of D. E., who is the drawer, or one of the indorsers.

CASH. (Fr. *Argent, espèces*, Ger. *Kasse*, Sp. *Caja.*)

In a wide sense the word cash, which is derived from the French, *caisse*, a chest for the purpose of containing money, may mean not only ready money, but also bills, drafts, bonds and all readily negotiable paper. "Generally, it would seem that documents of all kinds payable on demand, or that can immediately be converted into money, are spoken of and treated as cash." In a strict sense, however, the term cash is limited to coined money and Bank of England notes for sums of £5 and over, since the latter are part of the legal tender of the country.

CASH ACCOUNT. (Fr. *Compte de caisse*, Ger. *Kassakonto*, Sp. *Cuenta de caja.*)

In book-keeping this is an account to which nothing is carried but cash received on the one hand, and from which all the cash payments of the business are drawn on the other. The balance is called the cash in hand. When the balance is on the credit side the account is said to be in cash; when on the debit side, out of cash.

CASH BONUS. (Fr. *Boni*, Ger. *Barvergütung*, Sp. *Bono monetario.*)

In life insurance, a share of the profits paid to the insured in cash, instead of being added to the amount of the policy or applied to the reduction of premium.

CASH BOOK. (Fr. *Livre de caisse*, Ger. *Kassenbuch*, Sp. *Libro de caja.*)

The book in which an account is kept of the receipts and disbursements of money.

All business firms use a cash book, which serves two purposes. First, as being a record of the amounts of cash received and paid, together with particulars relating to the same, it enables the exact amount of one's balance to be ascertained at any period; and secondly, it relieves the journal of some of its entries, for when a cash book is kept, the entries appropriate to this book are not passed through the journal, but are posted direct into the ledger, the cash book itself being treated as a ledger account.

For small payments it is not unusual for a petty cash book to be used, the totals of which are periodically passed through the cash book.

CASH CREDIT. (Fr. *Crédit de caisse*, Ger. *Barkredit*, Sp. *Crédito.*)

A credit granted by a bank on security being given—personally or on the guarantee of another person. In the absence of a cash credit a banker will frequently allow a customer of good reputation and standing to overdraw his account, and this arrangement serves the same purpose.

CASHIER. (Fr. *Caissier*, Ger. *Kassierer*, Sp. *Cajero.*)

The person who is charged with the duties of paying or receiving the debts of a business house or corporation.

CASTING VOTE. (Fr. *Vote prépondérant*, Ger. *entscheidende Stimme*, Sp. *Voto de decisión.*)

The vote given by the president or chairman of an assembly or meeting, when the votes of those present are equally divided, so that a decision may be arrived at by casting the balance on one side or the other.

At common law a chairman has no casting vote. The privilege must therefore be conferred by the regulations which govern the meeting. The vote itself may be the only vote which a chairman may give, but in joint-stock companies it is the general practice for the Articles of Association to provide for the chairman giving a casting vote, in addition to voting as an ordinary member of the company at its meetings.

CAVEAT EMPTOR. (See *Sale.*)

CELLARAGE. (Fr. *Cavage*, Ger. *Kellergeld*, Sp. *Bodegas.*)

The charge made for storing goods in a cellar.

CENT. (Fr. *Cent*, Ger. *Prozent*, Sp. *Ciento.*)

This is a term frequently used in commerce to denote a certain rate or ratio, being so much per hundred. Thus, five per cent. implies the proportion of £5 to every £100.

In currency, cent is the name of certain small coins in various countries, being the hundredth part of other coins. In the United States the cent is one-hundredth part of a dollar, or about one English halfpenny; in France the centime is the hundredth part of a franc, about one-tenth of an English penny; and in Holland the cent is one-hundredth part of a guilder, about one-fifth of an English penny.

CENTIGRADE. (Fr. *Centrigade*, Ger. *hundertgradig*, Sp. *Centigrada.*)

The division into a hundred degrees or parts.

CENTIGRAMME. (Fr. *Centigramme*, Ger. *Centigramm*, Sp. *Centigramo.*)

A metric system weight, the one-hundredth part of a gramme. Its English equivalent is 0.154323 of a grain.

CENTILITRE. (Fr. *Centilitre*, Ger. *Centiliter*, Sp. *Centilitro.*)

The hundredth part of a litre, or 0·017608 of an imperial pint.

CENTIME. (Fr. *Centime*, Ger. *Centime*, Sp. *Céntimo.*)

The one-hundredth part of a franc.

CENTIMETRE. (Fr. *Centimètre*, Ger. *Centimeter*, Sp. *Centimetro.*)

The one-hundredth part of a metre, or 0.39371 of an English inch. Twenty-eight centimetres are almost exactly *equal to eleven English inches.*

CERTIFICATE. (Fr. *Certificat*, Ger. *Schriftliches Zeugnis*, Sp. *Certificado.*)

A testimony in writing, or a written declaration of the truth of some particular matter.

CERTIFICATED BANKRUPT. (Fr. *Réhabilité*, Ger. *entschlagener Bankerottierer*, Sp. *Rehabilitado.*)

A person who, having been made a bankrupt, holds a release from the Court of Bankruptcy, testifying that his debts have been cancelled by the court.

CERTIFICATE OF DAMAGE. (Fr. *Certificat d'avarie*, Ger. *Beschädigungsschein*, Sp. *Certificado de avería.*)

This is a document in printed form, issued by dock companies, when goods are received by them in a damaged condition as they are landed from a ship. They are generally filled in by the surveyor of the dock company, and the certificate states that the surveyor has surveyed and carefully examined the goods, and that the cause of the injury or damage to them is that stated. This document is necessary in order to enable the importer to recover compensation from the underwriters of the goods, or the shipowners, as the case may be.

CERTIFICATE OF INCORPORATION. (Fr. *Certificat d'incorporation*, Ger. *Eintragung in das Handelsregister*, Sp. *Certificado de Incorporación.*)

This is a certificate issued by the Registrar of Joint-Stock Companies to the effect that a company has been duly registered.

The certificate is in the following terms:—

"I hereby certify that the —— Company, Limited, is this day incorporated under the Companies' Acts, 1862 to 1900, and that the Company is limited.

Given under my hand this day of

(Signature)

Registrar of Joint-Stock Companies."

Such a certificate given by the registrar in respect of any association is conclusive evidence that all the requisitions of the Companies' Acts in respect of registration and of matters precedent and incidental thereto, have been complied with, and that the association is a company authorized to be duly registered under the Companies' Acts. A statutory declaration by a solicitor of the High Court engaged in the formation of the company, or by a person named in the Articles of Association, as a director or secretary of the company, of compliance with all or any of the said requisitions, must be produced to the registrar, and the registrar may accept such declaration as sufficient evidence of compliance.

The incorporation of a company takes effect from the date of incorporation mentioned in the certificate.

It is of the utmost importance that the certificate of incorporation should be conclusive proof of the commencement of the legal existence of the company. "When once," said the late Lord Cairns, "the memorandum is registered and the company is held out to the world as a company undertaking business, willing to receive shareholders and ready to contract engagements, then it would be of the most disastrous consequences if, after all that has been done, any person was allowed to go back and enter into an

examination (it might be years after the company had commenced trade) of the circumstances attending the original registration and the regularity of the execution of the document."

CERTIFICATE OF ORIGIN. (Fr. *Certificat d'origine*, Ger. *Ursprungscertifikat*, Sp. *Certificado de origén.*)

The certificate giving the place of manufacture or growth of certain articles.

CERTIFIED CHEQUES. (See *Marked Cheques.*)

CERTIFIED TRANSFERS. (Fr. *Transferts déclarés*, Ger. *beglaubigte Uebertragungen*, Sp. *Certificados de transferencia.*)

A transfer deed which bears an indorsement by the registrar or secretary of a company, stating that share certificates to meet the transfer have been lodged at the company's offices. They are chiefly used when a person sells a part only of the shares which he holds.

CESSIO BONORUM. (Fr. *Cession des biens et effets personnels*, Ger. *Cession, Abtretung*, Sp. *Cessio Bonorum.*)

A process in Scotland, similar to the assignment of the property of a debtor for the benefit of his creditors in England, by which an insolvent debtor gives up the whole of his property to his creditors for realization. On doing so, he is left at liberty to carry on any occupation or trade, but the property he may afterwards accumulate is liable to be seized by his creditors and retained by them until all their claims have been settled in full.

CESTUI QUE TRUST. (See *Trustee.*)

CEYLON. *General Description.*—Ceylon is a large island of more than three-fourths the area of Ireland, and having a population rather greater than three-fourths that of Scotland. It is situated to the south-east of Hindustan. The northern portion of the island is one vast forest, broken here and there with specks of cultivated ground. The southern half is a mass of granite mountains, with a margin of rich lower land; and here are the chief centres of modern industry. Almost in the centre of the island is Kandy, a former capital, united by railway with the chief port and present capital, Colombo.

Productions.—About one-fifth of the island is under cultivation, the leading products, in order of acreage, being cocoa-nuts, rice and other grains, tea, cinnamon, coffee and cinchona. Ceylon is famous for precious stones, especially cats-eyes and rubies. The pearl-fishery in the Gulf of Manaar, off the north-western coast, is, in some years, a valuable source of income. Graphite is mined in large quantities.

Commerce.—The foreign trade is chiefly with the Indian ports and the United Kingdom; rice and cotton goods being the chief imports. The principal exports are tea, 114 million pounds, cinnamon, 4 million pounds, coffee, 2 million pounds, and cinchona, half a million pounds.

Towns.—Trincomali, on the east coast, has one of the finest harbours in the world, and is the depôt of the British navy in the East Indies, but Colombo is the capital and chief commercial town.

Mails are despatched every week. Colombo is 6,300 miles distant from London, and the time of transit is sixteen days. The cost of telegrams is 2*s.* 7*d.* per word, or, via Turkey 2*s.* 4*d.*

CHAIN. (Fr. *Vingt mètres*, Ger. *Messkette*, Sp. *Cadena.*)

A measure used in surveying, the length of which is twenty-two yards. It is composed of one hundred iron links, and is generally known as "Gunter's Chain," so called from the name of the inventor. One square Gunter's chain is one-tenth of an acre.

CHAIN-RULE. (Fr. *Règle conjointe*, Ger. *Kettenregel*, Sp. *Regla de cadena.*)

An arithmetical rule much used in commercial calculations. It consists of the formation of a series of equations which are connected together and dependent, each on the preceding one, like the links of a chain.

CHALDRON. (Fr. *Chaudron, Treize hectolitres*, Ger. *Kohlenmass von* 36 *bushels*, Sp. *Chaldron.*)

An English dry measure, containing thirty-six coal bushels. Twenty-one chaldrons make a score. The measure is now practically obsolete, since coal is sold by weight.

CHAMBER OF COMMERCE. (Fr. *Chambre de Commerce*, Ger. *Handelskammer*, Sp. *Cámara de Comercio.*)

A voluntary association of merchants and others interested in trade for the promotion and benefit of trade interests in general.

Chambers of Commerce were established in several countries before they were known in the United Kingdom. The first Chamber in Great Britain was that of Glasgow, founded in 1783. It was quickly followed by the Chamber of Commerce of Edinburgh, which was instituted in 1785, and incorporated

by Royal Charter in the following year. The latter was the first public body which petitioned for the adoption of free-trade principles, and in later days it was the prime mover in advocating the transfer of the telegraph service to the state. The Manchester Chamber of Commerce was established in 1820, and gained world-wide renown by its exertions in favour of free trade. There is not a town of any commercial importance in the whole of the United Kingdom which does not now possess a Chamber of its own, and in 1860 there was established a general association of Chambers of Commerce of the United Kingdom.

The Chambers of Commerce endeavour to attain their object, viz., the promotion and benefit of trade, by a consideration of all proposed legislative measures which affect commerce, and by petitioning Parliament according to the views of the majority of their members. They collect and distribute statistical and commercial information, and some of the more wealthy promote commercial and technical education. They are sometimes usefully available for arbitration in mercantile disputes.

The oldest Chamber of Commerce in France is that of Marseilles, founded nearly four centuries ago, and the next in seniority is that of Dunkirk, which dates back in 1700. All the Chambers in France were suppressed by the National Assembly in 1791, but were revived and reconstituted eleven years later. Their present organization is regulated by the decrees of 1851 and 1852. They are unlike the English chambers in this respect—they are not voluntary associations, but rather Government departments. They advise the Government as to the means of improving the national industry by legislation, as to the execution of public works, and also as to taxation.

CHAMPERTY. (See *Barratry*) (2).

CHARGES FORWARD. (Fr. *Port dû*, Ger. *unter Nachnahme*, Sp. *Gastos á pagar.*)

A term used in accounts when the carriage and other charges are to be paid by the buyer upon receipt of the goods.

CHARTER. (Fr. *Charte, privilège*, Ger. *Freibrief, Privilegium*, Sp. *Carta, privilegio.*)

A grant from the Crown conferring some special rights, powers, or privileges upon public companies, corporations, institutions, and the like, upon certain stipulated conditions being fulfilled. A company which carries on its business under the terms of a charter is known as a chartered company, as distinguished from one registered under the Companies' Acts.

CHARTERED ACCOUNTANT. (C/A) (Fr. *Expert-comptable*, Ger. *beëidigter Bücherrevisor*, Sp. *Périto mercantil.*)

A person who holds a certificate from the Institute of Chartered Accountants, stating that he has passed their examination, and is therefore fully competent to undertake accountants' work.

CHARTERED BANK. (Fr. *Banque privilégiée*, Ger. *privilegierte Bank*, Sp. *Banco privilegiado.*)

A bank which trades under a special Charter granted by the Crown.

CHARTERED COMPANY. (Fr. *Compagnie à charte*, Ger. *privilegierte Gesellschaft*, Sp. *Compañia con privilegio.*)

A company which carries on business under a special Charter granted by the Crown, as distinguished from one registered under the Companies Act.

CHARTERER. (Fr. *Fréteur, affréteur*, Ger. *Befrachter*, Sp. *Fletador.*)

The person who charters or hires a ship, or a part of one, under a charter-party.

CHARTER-PARTY. (C/P). (Fr. *Charte-partie*, Ger. *Certepartie*, Sp. *Póliza de fletamento.*)

An agreement by which a ship-owner agrees to place an entire ship, or a part of it, at the disposal of a merchant for the conveyance of goods, binding the ship-owner to transport them to a particular place, for a sum of money, which the merchant undertakes to pay as freight for their carriage.

The merchant who takes the ship is called the charterer.

The charter-party may be under seal, that is, by deed, but in any case it must be stamped. The duty is 6*d.*, and the payment of it may be denoted by an adhesive stamp which must be cancelled by the person whose last execution gives binding effect to the document.

The name charter-party is probably derived from *chartam partiri*, to divide the parchment. It was an ancient custom, when a deed was drawn up, to write it in as many parts as there were parties upon the same piece of parchment, and afterwards to cut the document into these parts. Each of the parties retained his part for use in case of difficulties arising as to the terms of the contract.

Form of Charter-Party.—The forms of charter-parties vary considerably, as certain trades have forms which are peculiar to themselves. But the stipulations usually inserted in all charter-parties will be found in the following specimen :—

"*London, January* 1, 1903.

It is this day mutually agreed between A.B., owner of the good ship called X, of the measurement of n tons or thereabouts, now in the port of Y, whereof E.F. is master, and C.D. merchant, that the said ship being tight, staunch and strong, and in every way fitted for the voyage, shall, with all convenient speed, proceed to Z, or as near thereto as she may safely get, and there load in the usual and customary manner a full and complete cargo of lawful merchandise not exceeding what she can reasonably stow and carry over and above her tackle, apparel, provisions and furniture; and shall therewith proceed to S, or as near thereto as she may safely get, and deliver the same in the usual manner agreeably to the bills of lading, the act of God, the King's enemies, restraints of princes and rulers, fire, and all and every other peril of the seas, rivers, and navigations of what nature and kind soever, throughout the voyage, being excepted. Freight to be paid upon the delivery of the cargo. The said C.D. to be allowed m days for the loading and unloading of the said ship, and m days on demurrage over and above the said lay days and time herein stated at £x sterling per day.

Penalty for non-performance of this agreement, £y."

The signatures of the parties are appended and attested by one or more witnesses.

Conditions and Warranties.—The stipulations in a charter-party, as stated above vary with different trades. These may amount to conditions or warranties according to circumstances. If they are conditions, their non-fulfilment entitles the charterer to repudiate the contract; if they are warranties only, the contract cannot be repudiated, but the charterer is entitled to sue for damages. The clauses as to the place where the ship is, etc., are generally classed as conditions, the other clauses are held to be warranties.

The common warranties in connection with the conveyance of goods by sea are three: (*a*) seaworthiness of the ship, (*b*) despatch, and (*c*) non-deviation.

By seaworthiness is meant the fitness of the ship to undertake the particular voyage contemplated. This applies only to the time of loading and the time of sailing. After the ship has started upon the voyage, there is no implied warranty that she will continue seaworthy during the voyage.

By despatch is meant the undertaking of the ship-owner that the ship will commence and complete the voyage within a reasonable time.

Non-deviation is a warranty that the ship will not deviate from the usual course of navigation, except for the purpose of saving life or of protecting the ship from imminent peril.

CHARTS. (Fr. *Cartes, cartes marines*, Ger. *Seekarten*, Sp. *Cartas marinas.*)

Maps pointing out sea-coasts, rocks, sands, lighthouses, lightships, beacons, and showing the depth of the sea around the coast, issued for the guidance of navigators.

CHEAP MONEY. (Fr. *Argent à vil intérêt*, Ger. *billiges Geld*, Sp. *Moneda barata.*)

Money is said to be cheap when the floating supply of gold is plentiful, and the bank rate is consequently low, so that loans on marketable securities are easily obtainable at a low rate of interest.

CHEQUE. (Fr. *Chèque*, Ger. *Check*, Sp. *Cheque.*)

A bill of exchange drawn on a banker payable on demand.

A cheque must have a penny stamp affixed. The banker on whom a cheque is drawn must honour it if he has funds in hand belonging to the drawer, and also to the extent of any overdraft agreed upon. There is an implied contract between the banker and his customer to this effect. A banker who fails to honour his customer's cheques, under the above conditions, is liable to an action for damages. The duty and authority of a banker are determined by (*a*) countermand of payment, (*b*) notice of the death of the customer, (*c*) notice of an available act of bankruptcy.

Although the general rules governing bills of exchange are applicable to cheques, the following points of difference should be noticed :—

(1) A bill of exchange must be accepted before the acceptor can be liable upon it. A cheque is never accepted by a banker, and therefore the banker is never liable to the holder of the cheque for refusing payment of it.

(2) A bill must be duly presented for payment or the drawer will be dis-

charged. The drawer of a cheque is not discharged by delay in presenting it for payment, unless, through the delay, the position of the drawer has been injured by the failure of the bank, when he had sufficient money deposited to meet the amount of the cheque. In such a case the holder must prove for the amount of the cheque in the winding up or bankruptcy of the bank.

(3) No notice of dishonour is necessary if a cheque is not met; want of assets is a sufficient notice.

A cheque given by the drawer in contemplation of death must be presented for payment by the donee before the drawer's death, in order to entitle the donee to receive the amount out of the drawer's estate as a *donatio mortis causâ*.

When a cheque has been drawn and handed to the payee, it must be presented at the bank named for payment within a reasonable time. If the donee of the cheque and the banker on whom it is drawn are in the same place, the cheque should, in the absence of special circumstances, be presented for payment on the day after it is received. If they are in different places the cheque should be forwarded for payment on the day after it is received, and the agent who receives it should, in like manner, present it or forward it on the day after he receives it. If the cheque is made payable to "A.B. or order," A.B. must indorse it before payment is demanded; if payable to "A.B. or bearer," no indorsement is required. The banker is not responsible for payment of a cheque which bears a forged indorsement. It is his duty to know the signature of his customer, and he must bear any loss which arises through payment of any cheque which purports to be that of his customer and is not. But he cannot be expected to know the payee or his signature. In this respect there is a great difference between cheques and bills of exchange not payable on demand.

A banker should refuse payment of a cheque which appears to have been materially altered, otherwise he may have to bear any loss which arises. But if the customer has drawn a cheque so negligently as to facilitate an alteration or a forgery, he cannot hold the banker responsible.

Crossed Cheques.—To minimize the risks run through loss or forgery, it has become the common practice, when paying accounts, for the drawer of the cheque to "cross it," that is, to draw two parallel transverse lines across its face, and to write the words "and Co." between them. A cheque of this kind must not be paid over the counter of a bank. It must be presented by another bank. And if, in addition, there is added the name of a particular bank, then the presentation must be made through that bank. These crossings are respectively called "general" and "special."

The mere crossing of a cheque does not affect the negotiability of the instrument. The holder in due course has a perfect title to it. But the character of negotiability may be taken away if the words "not negotiable" are added. The holder of such a cheque has no better title to it than the person from whom he took it. Thus, for example, if a cheque marked "not negotiable" is stolen from the payee or a subsequent holder, and the thief transfers it for value to another person, the transferee has no right to retain it. He holds it affected with the same taint as the thief did, and he must restore it, on demand, to the rightful owner.

Sometimes, in addition to the crossing, or even in the case of an open cheque, i.e., one that is not crossed, there are words added which indicate that the cheque has been drawn, or is to be filled in, for an amount not exceeding a fixed sum, e.g., "under ten pounds." This is an additional safeguard against alteration.

When a cheque is uncrossed, any holder, including a banker, may cross it generally or specially; when it is crossed generally, he may cross it specially; and whether it is crossed generally or specially, he may add the words "not negotiable."

It should be noticed that where a banker in good faith and without negligence receives payment for a customer of a cheque crossed generally or specially to himself, and the customer has no title or a defective title thereto, the banker incurs no liability to the true owner of the cheque by reason only of having received such payment. To make a person a "customer" of a bank, in order that the banker may secure this protection, there must be some sort of an account, either current or deposit, or some similar relationship existing between them.

Post-dated Cheques.—It has been doubted whether a post-dated cheque is valid, if its amount exceeds £5, and a

penny stamp is used. Such a cheque was allowed to be put in evidence in the *Royal Bank of Scotland* v. *Tottenham* (1894), 2 Q.B. 715; but it is conceived that the drawer may render himself liable to penalites for issuing such a cheque, seeing that it is really a bill of exchange, and therefore insufficiently stamped. If, however, a post-dated cheque is drawn, and is then delivered to and held by the payee until the day of payment arrives, there is no liability for insufficient stamping.

Cheques sent by Post.—Unless expressly or impliedly authorized to use the post, the drawer of a cheque is responsible for any loss which may arise through the miscarriage of a cheque sent by post. He has himself chosen the post as his agent, and he must bear the consequences. A request, however, on the part of the donee that a cheque should be forwarded in this manner will exonerate the sender completely, since the post is now the agent of the donee.

On payment a cheque becomes the property of the drawer, but the banker who pays it is entitled to keep it as a voucher until his account with his customer is settled. There is a slight variation in practice between the methods of London and country bankers as to paid cheques.

CHEQUE BOOK. (Fr. *Carnet de chèques*, Ger. *Checkbuch*, Sp. *Libro talonario.*)

A book containing blank cheques impressed with stamps, which is supplied by banks for the use of its customers.

CHEQUE TO BEARER. (Fr. *Chèque non barré, au porteur*, Ger. *Inhabercheck*, Sp. *Cheque ótalon al portador.*)

A Cheque to Bearer, if uncrossed, is one payable on presentation. If crossed, it must be paid in to a bank for collection. Bearer cheques do not require endorsing.

CHEQUE TO ORDER. (Fr. *Chèque à ordre*, Ger. *Ordercheck*, Sp. *Cheque á la órden.*)

A Cheque to Order is one which requires to be endorsed with the payee's signature. If uncrossed, it is payable over the counter of the bank upon which it is drawn; if crossed, it must be paid in to some other bank for collection.

CHILI. Chili extends along the west course of South America from Peru to Cape Horn, and is walled in on the east by the great chain of the Andes. Its area is six times that of England. The population is 3¼ millions.

Northern Chili has a desert-like surface, and would be of little value but for the deposits of guano and nitre, and for its mines of gold, silver, and copper, in the mountainous regions. The nitre deposits consist chiefly of sodium nitrate, only a small quantity of potassium nitrate being found. These deposits are commercially spoken of as "nitrates." The nitrates form the most important article of export to the United Kingdom. The middle part of the republic is the most populous, and is the agricultural section. The north is rich in nitre and guano, the centre in copper and silver, and the south in iron and coal.

The exports in the order of their value are copper, silver, wheat, nitrates, and guano. The leading imports of Chili consist of clothing, food-stuffs, and machinery. The United Kingdom buys nitrates and hides; and, in exchange, sells manufactured goods.

Santiago is the capital, and Valparaiso is its port. Iquique, farther north, is the port from which most of the nitrates are exported.

Great Britain is represented commercially by consuls and vice-consuls at Antofagasta, Arica, Caldera, Coquimbo, Coronel, Iquique, Lota, Pisagua, Punta Arenas, Talchuano, Tocopilla, Tomé, Traiguen, and Valparaiso. Chili has consular representatives, in addition to the Consul-General in London, at Belfast, Bristol, Cardiff, Dublin, Dundee, Edinburgh, Glasgow, Hull, Leith, Liverpool, Manchester, Newcastle, Sheffield, and Southampton.

Mails are despatched by various routes, though the most regular and direct is via Southampton, once a fortnight. The distance of Valparaiso from London is about 9,000 miles via Panama, and 11,000 miles via the Straits of Magellan. The time of transit is from thirty-three to forty-one days, according to the route. The cost of telegrams is 5*s.* 9*d.* per word.

CHINA. *Position, Area and Population.*—China occupies a vast territory in middle and eastern Asia. It lies south of Siberia, and its coast line of about 2,500 miles is washed by the waters of the Pacific Ocean. Besides China Proper, this great country includes the provinces, or dependencies, of Tibet, Mongolia, Manchuria and Korea. Its area, nearly 4½ millions of square miles, is much greater than that of Europe. It covers about one-twelfth of the earth's land surface, and its population, which is estimated

at 350,000,000, is greater than that of our Indian Empire. China Proper is the south-eastern portion of this extensive territory. It comprises little more than one-third of the total area, but contains more than nine-tenths of the population.

Soil, Climate and Productions.—In the northern provinces of China the climate and agricultural products are generally the same as those of Northern Europe. In the central provinces, the richest portion of the country, tea and silk are the chief products. In the south the climate is tropical. Here are raised vast quantities of rice, which is the staple food of the mass of the people. Sugar and tobacco are cultivated in the central and southern provinces.

The poppy, from which opium is made, is raised in nearly all the provinces. Nearly the whole area of China Proper is arable land, and all of this is skilfully cultivated, the spade being the principal implement of tillage. The northern dependencies are sparsely peopled, and contain vast areas of forests and prairie. In the river-basins there are fertile districts, which produce cereals, cotton, hemp and tobacco. The mountainous province of Tibet is famous for its fine wool, obtained from the Tibet goat. The province of Korea occupies the great eastern peninsula. Hides are the chief export from this dependency.

The principal minerals of China are coal, iron, and copper. Probably no country in the world contains such vast deposits of coal. The greater part of the northern province of Shansi is one vast coal-field. Shansi has also extensive mines of iron. In several other provinces coal and iron exist in abundance. Copper-mining has for centuries been an active industry in the south-eastern province of Yunnan. Beds of kaolin are plentiful, and precious stones are found in many districts.

Manufactures.—Silk and porcelain are the best known manufactures of China. In the making of porcelain or china ware, appropriately so called, the Chinese were for centuries unrivalled, but their products in this industry are now inferior in quality and finish to those of western countries. The Chinese still maintain their superiority in the manufacture of rich silk fabrics, and in many departments of artistic handicraft. Their carvings in ivory and wood, their antique bronzes, and their filigree work in gold and silver are universally admired.

Commerce.—The internal trade of China is of vast extent. It is carried on chiefly by means of the numerous canals and navigable rivers. Two great rivers, each of them thousands of miles in length—the Hoang Ho, or Yellow River, in the north, and the Yang-tse-Kiang in the south, traverse the country from west to east.

The basin of the Yang-tse-Kiang comprises an area of 750,000 square miles, on which are settled nearly half the population of the country. The river is navigable for 1,000 miles, and on its banks are several of the greatest cities of China. Another large river, the Si-Kiang, in the extreme south, flows into the sea near the city of Canton, and is often called the Canton River. It is navigable for 150 miles for small vessels.

The Grand Canal, though partly fallen into disuse, is an important channel of communication in the coast provinces. It is 700 miles long, and traverses the productive districts lying between Shanghai and Tientsin.

The railways are numerous, but of limited length, and do not materially affect the commerce of the country.

The foreign commerce of China is mostly with Great Britain and British colonies.

Silk, raw and manufactured, tea, sugar, and straw-braid are the chief exports, tea and silk forming about seven-eighths of the total value.

The chief imports are, in the order of their value, cotton goods, opium, metals, petroleum, and woollen goods. One-half of the imports consists of cotton goods, and about one-fifth is opium.

The exports to the United Kingdom, valued at about three millions sterling, consist of tea, £1,000,000; silk, £500,000; skins and furs, nearly £500,000; and straw for plaiting, £350,000.

The imports from the United Kingdom, valued at about £7,500,000, consist of textiles, £6,500,000, and metal goods, £1,000,000.

Commercial Towns.—Peking, the capital, is situated in the north-east, about 100 miles from the sea. It has a population of a million, but has hardly any commercial consequence. Though ambassadors from foreign countries are permitted to reside in this city, foreign traders are excluded.

Tientsin, the port of Peking, is a city of about the same size. Being one of the "treaty ports," it has an active

foreign commerce. As the northern terminus of the Grand Canal, and of the new railway, it enjoys a great interior trade. This place has also a valuable caravan commerce with European Russia.

Canton, the chief seaport of South China, is about as large as the cities already named. It exports tea, silk, and sugar, and imports cotton and opium. Canton has numerous silk and cotton mills. Until 1842 Canton was the only Chinese port open to foreign trade. There are now more than twenty treaty ports.

Shanghai, on the east coast, near the mouth of the Yang-tse Kiang, is one of the treaty ports, and the first of the empire in the extent of its foreign commerce. It is also of great importance in inland trade, as the principal eastern depot of products in transit between the northern and southern provinces.

The western nations are now taking steps to secure much of the trade of China, which has hitherto been chiefly in the hands of the British. Russia, Germany and France have compelled the Chinese Government to lease them certain ports for terms of ninety-nine years.

Money, Weights, and Measures.—The sole official coinage and monetary unit of China is the copper cash, of which from 1,600 to 1,700 are equal to one haikwan tael, and about twenty-two are equal to one penny. The usual medium of exchange is the silver sycee. Payments of considerable amounts are made by weight of silver bullion, the standard being the laing or tael, which varies at different places. The haikwan, or customs tael, is equal to about 2*s.* 10*d.* in English money, or nearly seven to the pound sterling. The silver dollar coined at Canton is current all over the empire. Its value is about the same as the Mexican and United States dollar. Foreign coins are looked upon simply as bullion, and are taken by weight, except at the treaty ports.

The principal weights in use are the liang, kin, and tan, which are respectively equal to 1⅓ oz., 1⅓lbs., and 133⅓lbs. avoirdupois, being fixed by treaty. The tou, of about 1·5 gallons, is the chief measure of capacity, but liquids are commonly bought and sold by weight The legal standard of measurement, as fixed by treaty between Great Britain and China, is the chih, which is equal to 14$\frac{1}{10}$ English inches.

In addition to the commercial *attaché*, at the embassy, there are British consular representatives in China at Peking, Amoy, Canton, Chefooo, Chinkiang, Chung-King, Foochau, Hangchau, Ichang, Kinkiang, Kiungchau, Newchwang, Nanking, Ningpo, Pagoda Island, Pakhoi, Samshui, Shanghai, Shashi, Suchau, Swatau, Tientsin, Wenchau, Wuchau, Wuhu, Yochau.

Mails are despatched to China once a week. Peking is 11,770 miles distant from London. The time of transit is about thirty-nine days. To Shanghai the time is thirty-seven days, via Vancouver, and thirty-two days sixteen hours, via Brindisi. Telegrams cost 5*s.* 5*d.* to 5*s.* 9*d.* per word.

CHOSES IN ACTION. (Fr. *Choses en action*, Ger. *Rechtsobjekte*, Sp. *Cosas en acción.*)

Personal property of an incorporeal nature, of which a person has not the actual or constructive enjoyment, but merely a right to recover the same by an action at law. Common examples of choses in action are debts, warrants, insurance policies, mortgages and bills of exchange. Those things of which a person has not only the right to enjoy, but also the actual enjoyment, are called choses in possession.

Choses in action were not assignable at common law, but now by various statutes, and especially by the Judicature Act, 1873, an absolute assignment may be made in writing, signed by the assignor, of which notice is given to the other party to the contract. Unless the debt, etc. assigned is a negotiable instrument, the assignee takes subject to the equities, that is, any defences which were available against the assignor are available against him.

CIPHER or CYPHER. (Fr. *Ecriture en chiffre*, Ger. *Chiffre*, Sp. *Cifrado.*)

A secret kind of writing. Government telegrams are frequently written in cipher to insure secrecy.

The word is also used to signify the figure 0 in arithmetical operations, and, as a verb, with the meaning "to work sums."

CIPHER-KEY. (Fr. *Clé de chiffre*, Ger. *Chiffreschlüssel*, Sp. *Clave.*)

The key to the cipher used in secret writing.

CIRCULAR NOTES. (Fr. *Billets circulaires*, Ger. *Zirkularnoten*, Sp. *Notas circulares.*)

These are letters or notes which are issued by banking houses for the con-

venience of travellers. Their object is to avoid the necessity of carrying large sums of money from place to place. The banker who issues the notes advises his correspondents abroad, and informs the travellers where payments may be made to him on the production of the same. A specimen of the handwriting of the payee is also provided, called a *Lettre d'indication*, so that there may be some check upon fraud or forgery. A traveller who presents a note at any of the places named will receive any amount he requires within the limit provided for. The advances are duly noted upon the document at each place of presentation, and the issuer will refund any balance due when called upon to do so.

Circular notes are not issued for an amount less than £10. There is generally no charge made for the accommodation, as the interest on the amount lodged for the period between the dates of purchase and payment is sufficient to remunerate the banker for his trouble.

CIRCULATING MEDIUM. (Fr. *Agent de circulation, agent monétaire*, Ger. *Umlaufsmittel*, Sp. *Circulación.*)

The medium by which exchanges, or purchases and sales, are effected. The name is applied to gold or silver coin, paper, or any other article employed as the measure of the value of other things. It is scarcely possible to imagine a people without a circulating medium of some kind, and, accordingly, even among the most savage tribes, there exist some articles to which they refer as a measure of wealth, whether the articles be slaves, skins, or cowry-shells. (See *Currency.*)

CLEAN BILL. (See *Bill of Health* and *Bill of Lading.*)

CLEARANCE. (Fr. *Acquit*, Ger. *Abfertigung*, Sp. *Despacho.*)

(*a*) Of vessels. A term in use in the mercantile marine, signifying a permit from the Custom House officers for the departure of a ship, and denoting that all the dues have been paid and all formalities complied with. If the vessel is a foreign one, a certificate must also be obtained from the consul of the country to which she belongs.

(*b*) Of goods. This is a service which is undertaken by a shipping agent, consisting in the performance of certain duties connected with the receipt or despatch of goods, passing through the Custom House, etc.

CLEARANCE INWARDS. (See *Ship's Clearance Inwards.*)

CLEARANCE OUTWARDS. (See *Ship's Clearance Outwards.*)

CLEARING BANKS. (Fr. *Banques de virement*, Ger. *Girobanken*, Sp. *Bancos de liquidación.*)

Those banks which are members of the London Bankers' Clearing House.

CLEARING HOUSE, BANKERS'. (Fr. *Comptoir général de virement, Chambre de liquidation*, Ger. *Abrechnungsstelle*, Sp. *Inspección de Liquidaciones.*)

This is an institution situated in Post Office Court, Lombard Street, by means of which bankers are enabled to transfer credits from one bank to another in the same manner as credits are transferred within the same bank. Its establishment dates back to 1775, when a number of city bankers, having recognized the waste of time and labour in sending round their clerks to collect the moneys owing to them from one another, hired a room in Lombard Street, in which their clerks met and exchanged their mutual claims against each other, paying only the difference in cash or bank notes. There were forty-six bankers who cleared in 1810. In 1854 the joint-stock banks were admitted to the Clearing House, and the Bank of England joined in 1864.

The mode of doing business is thus described by the late Mr. Macleod: "The bills and cheques which each banker holds on the other clearing banks are sorted in separate parcels, and at 10.30 a clerk from each bank arrives at the Clearing House. He delivers to each of the other clerks the obligations he has against his house, and receives from each clerk the obligations due from his own. When these obligations are interchanged, each clerk returns to his own bank. The same process is repeated at 2.30. Each bank has till 4.45 to decide whether it will honour the drafts upon it; if it does not return any drafts upon it before that hour it is held to have made itself liable on them to the Clearing House. At 4.45 the business closes, and the accounts are made up; and so admirable is the system that not a single bank note or sovereign is required for the settlement of the claims.

"Each clearing bank keeps an account at the Bank of England, and the Inspector of the Clearing House also keeps one. Printed lists of the clearing banks are made out for each bank, with its own name at the head, and the others are placed in a column in alphabetical order below it. On the left side of the

names is a column headed 'Debtors,' and on the right side a column headed 'Creditors.' The clerk of the Clearing House then makes up the accounts between each bank, and the difference only is entered in the balance sheet, according as it is debtor or creditor. A balance is then struck between the debtor and creditor columns, and the paper delivered to the clerk, who takes it back to his own bank. The balance then is not paid to, or received from, the other bankers as formerly, but it is settled with the Clearing House, which keeps an account itself at the Bank of England. The accounts are settled by means of a species of cheque appropriated to the purpose, called Transfer Tickets. They are of two colours, white and green: white, when the bank has to pay a balance to the Clearing House; green, when it has to receive a balance from it. By this admirable system transactions to the amount of many millions daily are transferred from one bank to another, without the use of a single bank note or coin."

The system was practised in Edinburgh before it took root in London. There is a similar system of exchange in most country towns of any size, and differences are settled by a draft upon the local branch of the Bank of England, or upon London. In 1860 a clearing establishment was instituted in London for country bankers.

The Clearing House is managed by a committee of five members.

CLEARING HOUSE, RAILWAY. (Fr. *Bureau central*, Ger. *Eisenbahn-Abrechnungshaus*, Sp. *Inspección de liquidación.*)

An association established in 1842, and afterwards regulated by an Act of Parliament, passed in 1850, called the Railway Clearing Act, by which railway companies in England and Scotland are enabled to carry on through traffic over various lines as if they all belonged to one company. From a small beginning with a staff of four clerks, it has grown to such a size that it now finds employment for more than two thousand persons. The whole of the accounts in respect of through bookings, and of similar dealings, so as to strike a balance between the various companies, are made up at the Clearing House, which is directed by a committee of delegates appointed by the companies which are parties to the clearing system.

The Clearing House also acts as a centre for the consideration of matters affecting the interests of railway companies. It supervises the arrangements for passenger traffic, classifies goods traffic, deals with the rules and regulations for the working of railways, and usefully makes itself the responsible medium for the recovery of lost luggage.

The Railway Clearing House is situated in Seymour Street, close to Euston Station, the London terminus of the London and North-Western Railway.

CLERKS. (Fr. *Commis, employés*, Ger. *Commis*, Sp. *Dependientes.*)

Persons who are employed in the position of writers or accountants in offices.

CLIENTS. (Fr. *Clients*, Ger. *Klienten, Kunden*, Sp. *Clientes.*)

The name generally applied to those persons who employ solicitors or counsel for professional purposes. In recent times it has been extended to the customers of bankers and brokers, and it is not uncommon to hear it in connection with all manners of trades.

CLIPPER. (Fr. *Clipper*, Ger. *Klipper*, Sp. *Barco velero.*)

The name applied to any sailing ship built with the object of attaining considerable speed.

CLOSING PRICES. (Fr. *Dernier cours*, Ger. *Schlusspreise*, Sp. *Precios de última hora.*)

The prices of stocks and shares which rule between three and four o'clock in the afternoon.

COASTERS. (Fr. *Caboteurs*, Ger. *Küstenfahrer*, Sp. *Costeros.*)

Vessels which are engaged in the coasting trade, that is, the trade between home ports.

COASTGUARDS. (Fr. *Garde-côtes*, Ger. *Küstenwächter*, Sp. *Guarda-costas.*)

A body of men organized to act as a guard along the coast, originally to prevent smuggling.

COASTING TRADE. (Fr. *Cabotage*, Ger. *Küstenhandel*, Sp. *Cabotaje.*)

Commercial intercourse carried on by sea between different ports of the same country. No goods may be carried coastwise except those that are laden for the purpose at some port within the country.

By the law of the United Kingdom, the master of a coasting ship is liable to a penalty of £100, if when at sea he takes in or puts out any goods, and he must not deviate from his voyage, unless compelled by stress of weather or other circumstances. Before departing from the port of lading a "transire" must be prepared and deposited.

General transires may be obtained subject to certain regulations, and issued locally for periods not exceeding twelve months.

COASTWISE. (Fr. *Le long de la côte*, Ger. *die Küste entlang*, Sp. *A lo largo de la costa.*)

Coastways, that is, along the coast.

CODICIL. (See *Will.*)

COIN, COINAGE. (See *Currency, Par of Exchange.*)

COLOMBIA. The Republic of Colombia is situated at the north-western extremity of South America. Its area is nearly ten times that of England; the population is estimated at 6,000,000. Much of the surface is mountainous; but, in the south-east, there are extensive plains.

Agriculture is the chief industry. The principal products are tobacco, cocoa, coffee, plantains, bananas, wheat, and other cereals, vegetable ivory, and indigo. Cattle and horses are reared on the plains, and large quantities of hides and jerked beef are produced. The forests are extensive. Among the trees are mahogany and cedar, fustic and other dye-woods, and medicinal plants. The mineral productions are gold, silver, platinum, copper, iron, lead, coal, and precious stones.

The chief exports are cinchona, coffee, nuts, silver ore, cocoa, cotton, dye-stuffs, balsams, hides, rubber, and straw hats. The chief imports are clothing and food-stuffs. Of far more importance than the direct commerce is the transit trade passing between the two ports of Panama and Colon by way of the Panama railway. The principal means of communication between the interior and the sea is the navigable Magdalena River.

Panama is the principal seaport, and the Pacific terminus of the isthmian railway; Colon, or Aspinwall, is its Atlantic terminus. Bogota, the capital and chief city, is situated on a lofty plateau, and is consequently healthful, though but a few hundred miles distant *from the equator.*

Barranquilla, on the Magdalena River, and connected by a railway with Savanilla, a seaport twenty miles distant, is commercially important, nearly all the foreign trade of the republic passing through it.

There is a British consul at Panama, and vice-consuls at Barranquilla, Bogota, Carthagena, Colon, Honda, Medellin, and Santa Martha. Colombia has a Consul-General in London, and consuls or vice-consuls at Birmingham, Cardiff, Dover, Dundee, Glasgow, Grimsby, Liverpool, Manchester, Nottingham, and Southampton.

The regular mail service is via Southampton, and letters are despatched twice a month. Other routes are available, particularly via the United States, but the communication from New York is irregular and uncertain. Panama is 6,450 miles from Southampton. The time of transit is nineteen days and a few hours. Telegrams cost from 5*s.* to 5*s.* 9*d.* per word.

COLLATED TELEGRAM. (Fr. *Dépêche approuvée*, Ger. *verglichenes Telegramm*, Sp. *Telegrama verificado.*)

A telegram that is repeated on its way from station to station, at the desire of the sender, and at an additional charge, to insure its correct transmission.

COLLATERAL SECURITY. (Fr. *Garantie accessoire*, Ger. *Nebensicherheit*, Sp. *Garantia colateral.*)

Any secondary or indirect security. The name is generally applied to the deposit of documents conveying a right to property, so that in the event of a default in the repayment of a loan, or in the fulfilment of some other obligation, there may be something available for the creditor without the necessity of taking legal proceedings. A bill of sale is an example of a collateral security, as it guarantees the repayment of a loan, and other common examples are delivery orders, title deeds, mortgages, and bonds.

COLLIERY GUARANTEE. (Fr. *Garantie de charger*, Ger. *Zechengarantie*, Sp. *Garantia de cargar.*)

An agreement signed by a colliery company undertaking to load a vessel with coal within a certain time—steamers in a certain number of hours, and sailing vessels in a certain number of days.

COMBINATION. (Fr. *Association*, Ger. *Verbindung*, Sp. *Asociacion.*)

A union of manufacturers and others formed for the purpose of protecting their own interests, or for regulating the selling price of articles they produce. The object is to have a fixed price, and so prevent competition among them. The term is also used when referring to some of the large Trusts or Combinations, where several firms have been amalgamated into one large Combine or Company.

COMMANDITE, SOCIÉTÉ EN. (A French term. Ger. *Kommanditgesellschaft*, Sp. *Comandita.*)

A kind of commercial society or partnership, in which some of the members contribute a certain amount of capital without taking any part in the management, becoming what are known in this country as sleeping partners. Such partners are called *commandataires*, or partners in commandite, in France, and are held liable for losses only to the extent of the funds or capital furnished by them.

COMMERCE. (Fr. *Commerce*, Ger. *Handel*, Sp. *Comercio.*)

A word derived from the Latin, *commercium*, meaning in its most general sense the exchange of articles of any kind for money or other articles.

There are three kinds of commerce :—

(1) Home trade, or that carried on between individuals of the same country ;

(2) Foreign trade, or that carried on between the inhabitants of different countries ;

(3) Colonial trade, or that carried on between the inhabitants of any particular country and its colonists.

COMMERCIAL CRISES. (Fr. *Crises commerciales*, Ger. *Handelskrisen*, Sp. *Crisis commerciales.*)

Periods of general distrust among business men and financiers, owing to successions of failures in business circles.

COMMERCIAL PRODUCTS. (Fr. *Produits commerciaux, Denrées commerciales*, Ger. *Handelsprodukte*, Sp. *Productos comerciales.*)

ANIMAL ORIGIN. *Animals* (*living*).—Live cattle are sent from the United States, Canada and the Argentine Republic to the United Kingdom to supply the demand of the English market. Holland contributes a large number of calves, and, with Germany, she sends her surplus stock of sheep and lambs. Nearly 9½ millions sterling is the average value of the living animals —oxen, sheep, and lambs—imported into this country annually.

Bones.—Most of the bones imported into this country are brought from the cattle feeding plains of South America ; some also come from Russia.

Bones are a very important article of commerce. After having been boiled for the purpose of extracting the fat, which is used for soap and candle making, the larger kinds are employed for knife handles, tooth and nail brushes, combs, paper-knives, spoons, etc. ; the smaller for buttons and a variety of other small articles. The shavings and bone-dust made in fabricating these articles are used to make animal charcoal, a substance of value in sugar refining. Bones are also much used as manure.

Butter and Margarine.—Above 17 millions are expended annually by the people of the United Kingdom for foreign butter, and nearly 2½ millions for margarine. Nearly half the butter comes from Denmark ; other countries adding to the supply in order of value being France, Sweden, Holland, Canada, Victoria, New Zealand, the United States, Germany, and New South Wales. Practically, all the margarine comes from Holland.

Camel's Hair.—This is an article of commerce in the East, where the Arabs and Persian make of it stuffs for carpets, tents and wearing apparel. The French manufacture hats from it. The fine hair from which artists' pencils are made is imported from Smyrna, Alexandria, and Constantinople, but it really comes from Persia. There are three qualities : black, the most valuable ; red, the second quality ; and grey, which is worth about half as much as the red.

Cheese.—About 7 million pounds' worth of cheese is imported annually by the United Kingdom. Most of this comes from Canada, the United States and Holland. As a general rule, Canadian cheese is much better than that from the States, owing to the fact that the cattle of Canada are not allowed to roam about the woods and pick up nuts for food. Cheese is also exported by the Netherlands, France,and Switzerland. Cheese is one of the few articles in which the supply from Greater Britain exceeds that from foreign countries, the figures being Canada, 3¼ millions sterling ; United States, 1¾ millions ; Holland, ¾ of a million ; France, $\frac{1}{10}$ of a million ; and Australia, ¼ of a million.

Cochineal.—The beautiful red dye, known as cochineal, is obtained from the *Coccus cacti*, a small insect infesting a tribe of cacti growing in Honduras and in some parts of South America. The cochineal insect is also cultivated in Mexico, Teneriffe, Java, and the West Indies.

Cordovan.—Leather, prepared from goats' skins, for use in book-binding, [illegible] fine kinds of boots and shoes, [illegible] ed by the [illegible] the name. Levant. [illegible] illion eggs,

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valued at nearly 5½ millions sterling, are imported each year by the United Kingdom. France, Russia, Germany, Belgium, Denmark, and Canada compete for this trade in the order named. The trade in eggs forms no inconsiderable branch of our commercial intercourse with the Continent of Europe, as English poultry are not numerous enough to supply the demand. However, vast quantities of eggs are brought from the country districts, and from Ireland, to London and other large towns. *The importation of eggs from* France also affords employment to a large number of small vessels.

Feathers.—These form a considerable article of commerce. Those of the ostrich are highly valued, and farms on which these birds are domesticated are to be found in Cape Colony. Many parts of England and Scotland supply feathers for beds, and an inferior sort is produced in Ireland. The finest feathers used for this purpose are those of the eider duck, which are imported from Greenland, Iceland, and Norway. Very fine feathers are also obtained from the North-West and North-East districts of Canada.

Down, or the first covering of young birds, is also an article of commerce, and the down of the swan is imported from Dantzig, together with large supplies of superior feathers.

Fish, etc.—In spite of the myriads of food fishes caught in British seas, the people of the United Kingdom import fish to the amount of over 3½ millions sterling annually. This includes fresh fish valued at about 1 million. Cured and salted fish are supplied by British North America, to the amount of 1 million sterling; by the United States, about ½ a million, and by France and Norway in the order named. The export of fish from the United Kingdom reaches the annual value of about 2½ millions sterling.

The fish-eating peoples of southern Europe, such as Spain and Italy, depend to some extent upon the cod-fisheries of Norway and Newfoundland. The tinned salmon of British Columbia is found in every European market, and British preserved herrings are exported to almost every country of the world.

The salt-water fisheries of very great value are few in number. The Banks, a great area covered with shoal water off the shores of Newfoundland and Nova Scotia, are the most prolific fishing grounds in the world. They are annually visited for cod-fish and halibut by about 5,000 vessels from the United States, Canada, the United Kingdom, and France. The fishing banks which rank next in productiveness are those of the North Sea. These are visited for cod-fish, herrings and flat fishes, by the fishermen of the United Kingdom, Norway, France, and the Netherlands.

Fish culture is now carried on systematically in the United States and Germany. Valuable food fishes, from one part of the world, have been transported to other parts and propagated in new and exhausted fishing grounds. Rivers have, in this way, been restocked with salmon, and artificial oyster beds have been planted in various ports.

Furs.—Fur is the name given to the skins of animals when the hairs are very fine and close. In cold climates, many thousands of animals are annually destroyed, their skins dried, with the fur on, and then used for clothing. Although, to a great extent in this country, furs are merely worn for ornament, there is an annual expenditure of over 1½ sterling on these adornments.

The fur most prized is that of the ermine, which is merely the skin of a stoat in its winter dress, the squirrel, badger, sable, seal, beaver, and bear; and these are supplied by the United States, Canada and British India.

The skins of the fur-seal come principally from the Pribylov Islands, in the Behring Sea. These islands form part of the United States' territory of Alaska; and, in order to prevent the extermination of these animals, the Government of the United States limits, by law, the number of these animals which may be taken annually. For many years all seal-skins were sent to London to have the long hairs plucked out, to be dyed brown, and so prepared for use; but many are now treated in the United States.

The world's chief fur markets are London, Leipzig, and Nijni Novgorod. Nearly all the furs from the Dominion of Canada are sent to London, as are also most of the inferior fur-skins of South America and Africa. The furs sold at the fairs of Leipzig and Nijni Novgorod are mostly prepared from the valuable skins of the Russian Empire.

It is worthy of note, as an example of the two-fold commercial exchanges, that the United States export to the

United Kingdom most of their seal pelts, worth about a million sterling annually, and import dressed furs of about equal value from the United Kingdom.

Hams.—The best hams are obtained from Yorkshire, Hampshire, Wiltshire, and Cumberland, in England; the counties in Scotland famed for their hams are Dumfries and Galloway. On the Continent the hams in greatest repute are those of Westphalia and Portugal. Mutton and beef hams are chiefly prepared in the north of England and the border counties of Scotland.

Hides and Skins.—These form a very important import, as the leather industry of the United Kingdom is a very large one. The annual import of raw hides amounts to about 3 millions sterling, while another million and a half is expended on goat skins. Raw hides, both wet and dry, are imported from British India, South Africa, the Straits Settlements, and Uruguay. Skins are imported from Australia, Cape Colony, the United States, Canada, British India, and New Zealand. Undressed leather is supplied by the United States, British India, Holland, the Australian Colonies, Belgium, and Cape Colony.

Horns.—True horns are borne by such animals as the ox, goat, sheep and antelope; but the term horn is incorrectly applied to the antlers of deer, which are composed of solid bone and are shed annually, while true horn is permanent. The horns used for manufacturing purposes are imported in large numbers from Russia, the Cape, British India, South America, and the United States.

Isinglass.—This substance is a very pure form of gelatine prepared from the air bladders and sounds of several fishes; but the finest is prepared in Russia from the entrails of the sturgeon. The word isinglass literally means the bladder of sturgeon (German, *Hausenblase*). Large quantities of isinglass are also imported from America and the East Indies.

Ivory.—This is the hard bony substance forming the tusks and teeth of several animals, such as the elephant, the hippopotamus, the walrus, the narwhale and the spermaceti whale. The chief and best supply of elephant ivory comes from Africa, the tusks occasionally weighing from fifty to seventy pounds, and averaging about twenty pounds each. Large quantities of tusks of an extinct, long-haired elephant, the mammoth, are found in the frozen soil near the rivers of northern Siberia. This ivory is, however, of inferior quality.

Leather.—Although very many persons are employed in tanning leather in the United Kingdom, much is imported. Under the term "leather," the following articles are included:—

(1) Hides, tanned, curried, or dressed in any way;

(2) Goatskins dressed;

(3) Sheepskins dressed.

Dressed hides and skins, to the amount of about 8½ millions sterling, are annually imported into this country. The chief supplies are drawn from the United States, 3 millions; British India, 3 millions; Australasia, 1 million; and France, 1 million. In addition to the above, boots and shoes are annually imported worth ½ a million sterling, and gloves to the value of 2 millions. Morocco leather is tanned with sumach. Russia leather with birch bark, and glove leather is preserved with alum and salt.

Meat.—An enormous quantity of meat for human food, valued at 30 millions sterling annually, is imported into the United Kingdom, as will be seen from the following brief account derived from the reports of the Board of Trade.

During long journeys, either by sea or land, it is of importance to preserve fresh meat; and there are two methods of doing this:—

(1) By the application of a temperature below the freezing point of water; and this method has recently been attended by success, frozen carcases of sheep and oxen having been imported from Australia and New Zealand to this country.

(2) By preserving food in air-tight vessels. This plan presents many advantages, as small cases of food can be carried by voyagers and travellers. A large trade in "canned meats" from Australia and America has recently been developed.

The value of bacon annually imported is more than 11¼ millions sterling; chiefly from the United States, 7⅞ millions; Denmark, 3 millions; and Canada, 1 million.

Very little salt beef is imported; but fresh beef, valued at over 8 millions sterling, and more than three-fourths of which comes from the United States, and most of the remainder from Australasia reaches this country annually.

Hams imported are valued at an annual sum of 4¼ millions. Three-

fourths of these come from the United States, and the remainder from Canada.

The great pork-packing centres of the United States are Chicago, St. Louis, Kansas City and Cincinnati. Live hogs are not exported.

The supply of fresh mutton reaches the annual value of nearly 6 millions sterling, three-fifths of which is exported by Australasia, and most of the remainder by the Argentine Republic.

Herding, or ranching, names given to the raising of cattle in great numbers for beef and hides, can only be carried out in thinly-populated regions which are well-watered, and where nutritious grasses grow. The largest cattle-grazing areas of the world are in North and South America. Smaller tracts devoted to this industry are in Australia and British India.

The greater part of the North American beef supply is obtained from that part of the United States situated on the plateau to the east of the Rocky Mountains, and the new districts of Canada similarly situated. These are the treeless, grassy regions of the Great Plains, where tillage has not yet taken the place of pasturage. The herds of this vast area are driven or transported by rail to the chief meat-packing centres, Omaha, Kansas City, and Chicago. At these points the beef is dressed for market, and the hides also become a commercial commodity.

The principal cattle herds of South America graze upon the plains watered by the rivers Plate and Orinoco. The exports from these regions are chiefly of hides to France, England, and the United States, although considerable quantities of salted and canned beef are sent to Europe from the Pampas country.

The transport of fresh beef and mutton to distant points for consumption, though now a great business, has grown up within a very few years. Beef comes to the ports on the Atlantic seaboard of the North American Continent from the West, in refrigerator cars, and is shipped aboard in iced chambers. In a similar way the fresh mutton of New Zealand is shipped to the London markets, although the steamship route for this traffic lies across the tropics.

Mohair.—This is a material for textile fabrics, consisting of the hair of a goat which inhabits the mountains of Angora, in Asia Minor. Certain laces and braids are woven from it as well as shawls. The Angora goat is also domesticated in Cape Colony, and the import of mohair from South Africa is equal in quantity to that from Turkey in Asia, but the article is of inferior quality.

Mother-of-Pearl.—Mother-of-Pearl is the name given to the hard, lustrous, brilliant inner layer of oyster and clam shells of the tropics. Very large quantities of this substance are consumed in the manufacturing establishments of Birmingham and Sheffield. The shells are imported from the islands of the Pacific and from Australia.

Peltry.—This is the name applied to the undressed, though dried, skins of the fur-bearing animals.

Pemmican.—A preparation of dried meat, originally made only by the North-American Indians, but lately introduced into the victualling yards of the Royal Navy.

Satin.—The chief seat of the satin manufacture is at Lyons, in France, and Genoa, in Italy.

Silk.—The product derived from the cocoons of several kinds of moths; the greater part of the silk of China, Italy, and France being made of the cocoons of the mulberry moth—*bombyx mori*. Indian silk is the product of many species of moths.

The manufacture of silk goods has never been a great industry in this country; but, as silks are largely worn in the United Kingdom, and are also required by British merchants for export, they are important commercial commodities. Thus, while raw silk is imported to the value of nearly 2 millions sterling annually, there is an expenditure of about 15 millions for manufactured silk goods. About three-fourths of these silk goods come from France, rather less than one-fourth from Belgium and Holland, chiefly in transit from Germany; most of the remainder comes from China, British India, and Japan.

Silk culture has been an industry among the Chinese for thousands of years. It was introduced into Japan and Persia about two thousand years ago; and, a few centuries later, the industry was established in Asia Minor, and also in Spain, Italy, and Greece. In recent years silk raising has become an important industry in British India.

Although other parts of the world seem well adapted for silk culture, and although many efforts have been made to increase the area devoted to this industry, none of these attempts have

met with much success. As the business of preparing the raw silk requires much time, it is unprofitable in countries where labour commands high wages.

China and Japan export only their surplus silk, making use of a great proportion of their produce in home manufactures. In spite of this, the total production of these countries is so great that, together with Italy, they supply a very large proportion of the raw silk of commerce. The industry has never disappeared from Spain and Greece, but the yield of these countries is small.

France is the leading country of the world in silk manufactures, and Lyons, the centre of the industry, is the world's greatest market for silk goods. Germany ranks second as a silk manufacturing country, and Crefeld, in Rhenish Prussia, is the busiest centre of it there. The United States stand third as a silk manufacturing nation, New York and New Jersey being the leading States engaged; but America has scarcely any export trade in silks. In England the silk manufacture still lingers in Spitalfields, a part of London, in Manchester, Derby, and Macclesfield.

Wool.—Short stapled wool is more scaly, and its fibres are more wavy than long stapled wool; hence, the former is better suited for the manufacture of broadcloth, while the latter is woven into such worsted fabrics as alpacas, poplins, etc.

The great wool growing countries of the world, in the order of the value of the product, are Australia and New Zealand, Russia, the United States, the Argentine Republic, and South Africa. With the exception of the United States, none of the countries named manufactures much of its own wool. The Australasian and South African produce goes almost entirely to the mills of the United Kingdom. Nearly all the Argentine wool is sold to France and Germany. In the United States the home supply, although very large, does not equal the demand.

In woollen manufactures the United Kingdom takes the lead, with France second, the United States third, Germany fourth, and Austria-Hungary fifth. The London wool-market is the greatest in the world; the great wool ports being Melbourne, Sydney, Brisbane, Adelaide, Wellington, Buenos Ayres, and Cape Town.

In Kashmir and other parts of Northern India an animal called the kashmir, or "shawl" goat, supplies a very soft and lustrous wool, which is woven into shawls that command a very high price, owing to the amount of labour expended on them.

The following are a few interesting particulars of our import trade in wool: Wool of sheep and lambs is imported from Australasia, 16¼ millions sterling annually; British South Africa, 1 million sterling; British East Indies, 1 million sterling; leaving the remaining 4 millions' worth to be supplied by South America, France, Turkey, Belgium, Russia and Spain, in the order mentioned. About a ¼ of a million sterling is expended annually in alpaca, vicuna, and llama wool, which is obtained from South America. The mohair annually imported from Turkey in Asia costs about ½ a million sterling, and the same quantity comes from South Africa. Nearly ¾ of a million sterling is expended every year upon woollen rags for the shoddy mills of Yorkshire.

MINERAL ORIGIN. *Aluminium.*—This metal has, of recent years, obtained deserved recognition as one of special usefulness in the arts, through the triple qualities it possesses of extreme malleability, ductility, and lightness in weight. It is, in fact, the lightest metal of commercial importance. The pure metal, which is not found native, has a less weight than that of ordinary limestone, or calcite, its specific gravity being rated at 2·5.

Possessing the needful strength, aluminium is exceedingly valuable in the construction of articles where light weight is specially needed, such as military and naval equipments, surveying instruments, racing and other boats, even to steam launches, field-glasses, and other scientific instruments. Aluminium is, moreover, non-oxidizable, and readily lends itself as an alloy to iron, copper-aluminium, and other metals.

The chief source of commercial aluminium is found to-day in the minerals cryolite and beauxite; but the metal is found in the common earths, clays, shales, and muds, which are to be obtained everywhere, and in the felspar and mica of granite and similar rocks, these being, in the main, silicates of aluminia.

The metal in these compounds cannot, at present, be profitably extracted by the methods in use. The advance in the aluminium industry may be inferred

from the circumstance that whereas, forty years ago, the cost of the metal per pound was over £5, the same quantity can now be bought for less than 4*s*.

Amber.—Found as a mineral, but strongly resembling in appearance various gum-resins, amber is the fossil resin of one or more coniferous trees belonging to an extinct vegetation.

Amber is found in drops, leaf-like and stick-shaped pieces, the form and condition depending probably on the mode and situation of its exudation from the trees. In many instances the fragments of amber contain well-preserved remains of the animals and plants which lived at the period of its formation, these having been inclosed by the fluid resin as it escaped from the tree.

Antimony.—As a native metal, antimony occurs but sparingly. It is a bright tin-white metal, with a metallic lustre, and of only moderate hardness. The antimony of commerce is obtained from the sulphur ore of the metal, antimony glance, or stibnite, of which Japan furnishes the largest supply, as well as the most beautiful specimens. These are elongated prismatic crystals of a bluish-grey colour, having a brilliant lustre.

Antimony is mainly useful in the arts through the alloys which it forms with *lead* and *tin*, imparting to both greater hardness and durability. Type metal is a compound of lead and antimony, and Britannia metal is an alloy of tin and antimony.

Arsenic.—Like antimony, arsenic is rarely found pure in nature. It is a tin-white metal, with a metallic lustre. The arsenic of commerce is obtained principally from its two sulphur ores, realgar and orpiment, the former being of a beautiful red colour, the latter, golden-yellow. Both of these, although by no means abundant minerals, occur massive, and may generally be recognized by their distinctive colouring, lustre, and exceeding softness.

The compounds of arsenic are extensively used in the manufacture of pigments. In the making of rifle bullets and gun-shot a small quantity of arsenic is added to the lead to give it greater hardness. The white arsenic of the druggist is the oxide of the metal, obtained by roasting the mineral known as mispickel, the sulphur-arsenic ore of iron. Arsenic is found in Cornwall and Devonshire, especially near Tavistock

Asphalte.—Asphalte is a bituminous substance produced from coal by the action of heat. The most remarkable deposit of this substance is on the island of Trinidad, in the West Indies, where there is a noted "pitch lake," ninety-nine acres in extent, and of unknown depth.

The asphalte stone, so largely used for paving, is limestone charged with bitumen. The best quality of this substance is obtained from the Val de Travers, in the Swiss canton of Neuchatel.

Building Stones.—There are many kinds of stone used for building purposes, differing greatly in quality and durability. Two kinds much used for ornamental work are the oolitic limestones of Bath and Portland. The former is of a rich cream colour; the latter is lighter in colour, and harder.

The limestone found at Purbeck, in Dorsetshire, and on the coast of Devonshire, furnishes handsome slabs of black, red and grey marble, veined with white, which are cut and polished for mantelpieces and such-like articles.

Sandstones of various kinds, such as the old and new red sandstones, are also used for building. Noted British sandstones are those of Craigleith, near Edinburgh, Darley Dale, near Bakewell, Heddon, near Newcastle-upon-Tyne, and Mansfield, in Nottinghamshire.

On Dartmoor, in Devonshire, near Aberdeen and at Peterhead, in Scotland, granite is obtained which is hard and difficult to work, but which is well adapted for paving streets, building bridges, and for the basements of public buildings, owing to its great durability.

Chalk.—Chalk does not differ greatly from ordinary fine grained limestones, except that it is soft and powdery. It is of the class which geologists call earthy limestones; and when an acid is applied it effervesces like almost every other form of limestone.

When a piece of washed and powdered chalk is put under a microscope it is seen that the greater part consists of a multitude of tiny shells, some of them so minute as to escape detection by the naked eye. Some, again, are about the size of the eye of a fine needle, and others as large as the head of a pin. They are the remains of very nearly the lowest of organisms, which, while they have hard parts, are practically destitute of organs. Naturalists call them *foraminifera*, a name meaning hole-bearers, from a number of minute

openings or pores which their shells contain. Through these openings, in the living state, the animal protrudes delicate projections of the body, which help to propel it about, and probably bring to it a supply of food. These minute animals are very numerous in the seas of the present day. When they die their empty shells falling to the bottom make grey mud, called ooze, which is being formed there. From this and a number of other circumstances, it is concluded that the great chalk deposits of the globe, like those which extend almost continuously from the cliffs of England and France to and through Russia, represent an ancient sea-bed very much like that which is found to-day in the deep ocean.

Of the supplies of chalk for commercial purposes about two-thirds are derived from Kent, the remainder being quarried chiefly in Surrey, Essex, Hampshire, Sussex, Bedfordshire, and Lincolnshire.

Clay.—Clay for manufacturing purposes is procured from several parts of the United Kingdom. Thus, Cornwall is noted for china clay, Staffordshire for potter's clay, Stourbridge and Sheffield for fire-clay, and Devonshire for pipe-clay. The granite rocks of Dartmoor and Cornwall yield kaolin, whilst Somerset and Bedfordshire are noted for fuller's earth. The best bricks are made from the exceedingly fine clays of the glacial drift.

Coal.—Although classed, from its mode of occurrence in nature, in the mineral kingdom, coal is in nearly all cases of vegetable origin. The degree, however, in which traces of organic structure may be detected in it varies considerably. Coal may be either tolerably pure, containing but a slight admixture of earthy matters, or it may contain large quantities of earthy substance, as in the various modifications of shales. In the next place the degree of change which has taken place in the vegetable matter may be equally varied, so that it still retains its structure greatly destroyed, or altogether lost, as in much ordinary coal and anthracite, which, however, are apparently of somewhat different origin from the more recent lignites. The old coal-beds appear to have been formed from deposits analogous to peat-bogs, and hence naturally consist in great part of vegetables whose remains soon became indistinguishable; but that arborescent vegetation was also present and contributed to form the coal seems proved by the detection of woody structure, which is even evident to the naked eye, in a charcoal-like appearance of the fractured surface of coal. In many lignites the coal consists of trunks of trees converted into coal without much alteration in the appearance of the texture of the wood; and in these the structure is very readily made out by the use of the microscope.

The most extensive coal-beds of the world, those, for instance, of North America, east of the Rocky Mountains, and of Great Britain, belong to what is known by geologists as the carboniferous era. But, from that period to the present, coal has been forming, almost continuously, in one region or another, frequently not passing beyond a brown coal, or lignite stage. In the Rocky Mountain Region there are extensive beds of coal of cretaceous and tertiary times.

Until 1900 Great Britain was the largest coal-producing country in the world, but it is now surpassed by the United States. Out of a total of more than 650 million tons produced in 1900, three-quarters of the whole was raised in these two countries, Germany coming third with about 100 million tons.

China is said to possess the greatest coal area in the world, more than 200,000 square miles. The United States is second with 192,000 square miles. Canada, India, New South Wales, Russia, and the United Kingdom follow in the order named.

Copper.—Copper occurs native, in strings, grains, plates and masses, the last being sometimes of very large size. A specimen is recorded which weighed 420 tons. It is a soft, but heavy metal, with a specific gravity of 8·8, which may generally be recognized by its distinctive copper colour. It possesses, in an extreme degree, the properties of malleability and ductility, and is an excellent conductor of both heat and electricity.

One of the principal uses to which copper is put in the present day is the making of wire for the conduct of electricity.

A large proportion of the world's copper is obtained from the natural metal, with which a workable quantity of gold and silver is frequently associated; but various ores, such as cuprite, the oxide of copper, and bornite and chalcopyrite, the sulphides of copper and iron, contribute largely to the general supply.

The leading countries furnishing copper are the United States—Michigan, Arizona, and Montana—the Iberian Peninsula, Chili, Japan, Germany, and South Australia.

The quantity of copper mined in the United Kingdom is now very small. Cornwall, Devon, Merioneth, and Anglesey combine to produce this small supply. The chief supply of copper imported into this country is obtained from France, the United States, Holland, Belgium, and Germany.

Alloyed with zinc, copper makes brass, and with ten to twenty per cent. of tin, bronze, gun-metal, and bell-metal. Statuary bronze is a triple compound of copper, tin, and zinc.

One of the more familiar ores of copper is the "brassy" sulphide of copper and iron, known as copper pyrites, or chalco-pyrite, which bears a certain resemblance to gold, and is sometimes mistaken for it, whence the name, "fool's gold." It can, however, be readily distinguished from gold by its brittleness, powdering up under the hammer, or even under the well-pressed knife-blade. It is also soluble in nitric acid, whereas gold is not; and, in addition, it has a low specific gravity, about four. From the second form of fool's gold, iron pyrites, it is, in most cases, easily distinguished by its deeper colour and the fact that it can be cut by a knife, whereas iron pyrites cannot.

A highly-prized ore of copper, much used for decorative purposes, is the green carbonate, or malachite, the finest specimens of which come from Siberia. The blue carbonate of copper is the beautiful mineral known as azurite.

Diamonds.—The distinctive and well-known qualities of diamonds are their brilliancy, extreme hardness, infusibility, and insolubility. When highly-heated, diamonds consume slowly and disappear as carbonic acid gas, showing that their composition is pure carbon. The most highly prized varieties are colourless, and as clear as water, hence named "of the first water"; but diamonds are not uncommon in pale shades of yellow, green, pink, and blue. Many of the impure dark diamonds, known as carbonado, and the fragments that are not large enough for gems, are used in the form of diamond powder for polishing and cutting purposes, the diamond being so hard that it can only be cut and polished with its own dust. At the present time South Africa surpasses the combined output of the rest of the world. Several tons of diamonds have actually been obtained from the Kimberley mines, along the Vaal River, during the last quarter of a century.

Gold.—Gold is a widely distributed mineral, and is usually found in association with the quartz veins of mountainous and volcanic regions, or among the washing of sand, gravel, and river mud, which have been derived from the destruction of the parent rock. Its more general form is that of native gold, which is an alloy of about ninety per cent. of pure gold and from eight to ten per cent. of silver. All native gold has silver with it, and in the substance known as electrum the quantity of the latter amounts to about twenty per cent.

Native gold is a soft, highly ductile, and malleable metal, heavy in weight, its specific gravity being about nineteen, and free from tarnish. In the solid rock it occurs as strings, flakes, and crystalloids, frequently associated with iron pyrites, and occupying cavities in the "rotten" rock which has been left by their decomposition. In the river-washes it is also found in flakes, grains, scales, and, at times, as "nuggets" of considerable size and weight.

The most productive gold regions of the world are those of the Western United States—California, Colorado, and Dakotah — Australia — Victoria, New South Wales, and Western Australia—Russia, Siberia, South Africa, and Canada. Very rich gold supplies have recently been discovered in several parts of Canada, notably in the Klondyke region of the basin of the Yukon River.

Much of the silver and copper that is mined contains gold mechanically mixed up with them, a circumstance which makes the mining of these minerals specially profitable. A less frequent source of gold is galena, the sulphur ore of lead.

Granite.—Of the many useful rocks that are employed in the arts, none perhaps is more useful than granite, and there is none that equals it in beauty. It can be of almost any colour, pink and grey being the principal hues. It is a coarse-grained rock, consisting of at least three distinct minerals:—

(1) Mica, occurring in grey or black shining plates, which the blade of a knife can separate into thin seams.

(2) Quartz, either greyish or bluish in colour, having a dull glassy appearance, and which cannot be scratched with a knife.

(3) Felspar, the mineral which generally determines the colour of the granite, with its pearly lustre, and can be scratched with the blade of a knife.

(4) Hornblende, a black or greenish black, hard mineral, which sometimes replaces the mica, and also the quartz, when the rock is known as syenite.

The chief supplies of granite are obtained in Aberdeen, Argyle, Cumberland, Devonshire, Guernsey (syenite), Jersey (syenite), Leicestershire (syenite), Kirkcudbright, and Westmoreland.

Graphite.—Graphite, or plumbago, is familiar in the form of lead pencils. It is a soft, iron-black or steel-grey mineral, which occurs in masses or foliated forms in the older crystalline rocks. It can be easily cut with a knife, and its specific gravity is only just above two. One of its distinctive characteristics is the streak it leaves on paper. Its light weight and greasy "feel" readily serve to distinguish this mineral from any other. Its soapy character makes it useful as a lubricator, and its resistance to great heat permits it to be used, with clay, in the manufacture of crucibles.

Most of the commercial graphite is obtained from Siberia and other parts of Asia. It is extensively mined in Ticonderoga, on the Hudson River, in the United States, and large deposits have been reported from various parts of Canada and Newfoundland.

Grindstones.—These are obtained from the mill-stone grits of the coal measures.

Gypsum.—Gypsum can be recognized very readily among rocks, as, owing to its moderate hardness, it can easily be scratched by the finger nail.

Alabaster is a common form of gypsum, which is extensively used in the arts, as it can be fashioned by almost any cutting tool. In its composition gypsum is a hydrous sulphate of lime, which, on being heated, parts with its water and falls down in powder, the well known "plaster of Paris." This substance, on again being united with water in proper proportions, sets hard and forms the substance seen in plaster casts. The chief supplies of this mineral are derived from quarries in Nottinghamshire, Staffordshire, Cumberland, Sussex, and Derbyshire.

Hones.—Hones are chiefly slates of very close texture. Turkey oil-stones, said to be the best, are obtained from the inland districts of Asia Minor. Hones of fine quality are also procured from Ayrshire, in Scotland, near Snowdon, in Wales, and near Tavistock, in Devonshire. Bohemia, Styria, Arkansas, and Peru also yield supplies.

Iron.—Iron is the most important of all minerals. There is hardly a region of any extent on the face of the earth where it does not occur in one form or another, and there are some regions which yield it in vast quantities.

Iron occurs native almost exclusively in meteorites, where it is usually associated with nickel, and in certain volcanic rocks, such as the basalts of Greenland, in which it is scattered about in grains and nodules.

The iron of commerce is obtained exclusively from ores of the metal; and, in by far the greater quantity, from the oxides of iron. The world's annual production of the mineral amounts to nearly 60 million tons, two-thirds of which is produced in about equal quantities by the United Kingdom, the United States and Germany. France comes next in order.

The most important ore of iron is the red oxide, known as hematite, which occurs in a variety of forms. It has a brownish-black, reddish, or black colour, hence the name, which means blood-stone. Its hardness is such that it can just be scratched by the blade of a knife, but, on the firmer polished forms, no cut is possible. Its specific gravity is slightly over five.

Some of the blacker forms of hematite possess an exceedingly high polish, reflecting light, as if from a mirror or speculum; hence the name specular iron.

In other specimens the lustrous parts are exceedingly minute and scaly, and barely distinguishable from the mineral mica, or micaceous iron. One of the earthy forms of hematite is the pigment red ochre.

Considerably less important than hematite, but yet very important in itself, is the yellow oxide of iron, or limonite. In some of its forms it has much the appearance of hematite, but it can generally be distinguished by its brown colour, yellow streak, and yellow powder. It is largely a bog deposit, hence the name "bog-iron ore," and is frequently even used as an ore for manufacturing purposes, in a crumbly earthy condition. Brown and yellow ochre pigments are manufactured from limonite.

A third oxide of iron is magnetite, which, as the name suggests, has the quality of being attracted by a magnet.

One variety, known as lodestone, is a true magnet in itself. This important ore of iron occurs in large, one might almost say, mountain masses. A frequent, but less serviceable form, is that of octahedral crystals, of both large and small size, dispersed through other rocks. A mineral much resembling magnetite, but with much feebler magnetic qualities, and having both zinc and manganese in its composition, in addition to iron, is franklinite.

The ore known as "spathic iron" is obtained from the carbonate of that metal, forming the mineral siderite. It occurs in yellowish-brown rhombohedral crystals, having a specific gravity of less than four. Yellow and green chrome pigments are obtained from chromite, or chromic iron.

One of the most familiar of all iron ores, but of no service for the extraction of the metal itself, is the sulphur ore, or iron pyrites. The beautiful and highly lustrous crystals of this mineral are likely to occur in almost any kind of rock. The crystals are cubes or modifications of the cube, of a brass-yellow colour, and usually so hard as completely to resist the impression of a knife. This fact should readily distinguish it from gold, with which it is frequently confounded by over-zealous searchers after the precious metal. Its greater hardness and lighter colour also serve to distinguish it from the other form of "fool's gold," copper pyrites. Almost the only service to which pyrites are put to-day in the arts is the making of sulphur and sulphuric acid.

Another sulphur ore of iron is known as "magnetic pyrites," or pyrrhotite. Its reddish or bronze colour readily serves to distinguish it from ordinary pyrites, and the frequent association of it with nickel makes it one of the valuable ores of that metal.

Jet.—This is only a particular form of carbon, and there is little doubt that it is of organic origin.

Good specimens are found in Galicia and other parts of Spain; at Wittenberg, in Saxony; in the department of Aude, in the south of France; near Whitby, in England; in the Faröe Islands, in the Isle of Skye, and in the coal of Massachusetts.

Lead.—One of the most familiar and useful of metals is lead, and it is so rarely found pure in nature that it might almost be said not to exist.

The commonest lead ore is a compound with sulphur, known as galena, which is almost always associated with zinc blende, the sulphur ore of zinc, and hence the united mass is often spoken of as lead-zinc ore. At times it is largely silver-bearing or argentiferous; and this fact makes the mining of the ore profitable, when, possibly by itself, the baser metal would not have yielded a return. Galena is well known in its beautiful and very common form of cubical crystals. Lead is readily cut with a knife, being one of the softest of metals, and it leaves a dark streak upon paper. Its specific gravity is about seven and a half.

Lead is used for a large number of purposes. As an alloy with tin it makes pewter and common solder; with antimony, the substance out of which printers' type is manufactured—type-metal. In the making of gun-shot and rifle bullets a small quantity of arsenic is added, which renders the lead somewhat harder, and, in addition, permits it to assume the spherical form when dropped through the air. Carbonate of lead furnishes the common whitelead of painters.

The largest lead producing country of the world appears to be Spain, followed by the United States, Germany, New South Wales, and Mexico.

There are several ores of lead which are highly prized for their beautiful colours; such are the grass-green phosphate known as pyromorphite, the orange-red chromate, called crocoite, and the deep red vanadate, which mineralogists call vanadinite.

Limestones.—Limestones are all, or nearly all, of organic origin, being principally made up of the hard parts of various corals and other creatures which lived at about the time the rock was being formed.

In some limestones the organic remains are almost wholly of corals; such are coral limestones. There are many limestones, too, which are crammed full of the parts of a class of animals distinctly related to star fishes, which are known as stone-lilies or crinoids. Limestones made up of these parts are called crinoidal limestones. There are yet other limestones made up of the remains of foraminifera; and these are foraminiferal limestones, such as the Nummulitic limestone of the Alps and the Himalayas, and that of which the Pyramids of Egypt are built.

Manganese.—As a metal, in its associations and in its general chemical behaviour, manganese is very much like iron. It does not occur free in

nature, but is obtained principally from its two oxygen compounds, pyrolusite and manganite, more commonly the former. It is largely associated with iron, less frequently with zinc and silver, and, in one form or another, occurs in nearly all rocks. The presence of manganese may be detected by its deep brown or brownish-black stain. The chief use of manganese in the arts is alloying it with iron to make steel. Pyrolusite is used extensively to colour glass and pottery, producing various shades of violet, purple, brown, and black.

Mercury.—Mercury, a remarkable and exceedingly useful metal, is known to all in its liquid form of quicksilver, the substance which fills the tubes of most barometers and thermometers. It is the only mineral which remains liquid at ordinary temperatures, not solidifying until a temperature of 40° below zero Fahrenheit is reached.

Native mercury is a rare metal, and when it does occur it is generally in the form of minute globules scattered through the rocks. Nearly all the world's mercury is obtained from the sulphur ore of that metal, the red mineral known as cinnabar. The mineral can easily be recognized by its red colour, its scarlet streak when scratched, its great weight, and marked softness, being easily cut with a knife. Its weight, which exceeds that of metallic iron, is far below that of the pure metal, which has a specific gravity of more than thirteen and a half.

Mercury forms amalgams with gold, silver, zinc, tin, and other metals. The silvering on the backs of mirrors is an amalgam of mercury and tin. The "amalgamation process" of extracting gold and silver from rocks containing them consists in washing and agitating the powdered rock with mercury, and driving the mercury off by heat.

Mercury is mined in great quantities almost exclusively at Almaden, in Spain, at Idria, in the Austrian crownland of Carniola, and at New Almaden and New Idria, in California.

Mica.—The transparent or semi-transparent mineral, mica, is chiefly found in Bengal.

The United Kingdom, Germany, and the United States are the chief buyers of mica, which is used

(1) In the manufacture of dynamos;

(2) For covering the peep-holes of furnaces;

(3) For boiler packing.

Nickel.—Nickel is known to most people in the form of nickel plate, a coating given to steel, which resists tarnishing. German silver is a compound of copper, zinc, and nickel. Most of the nickel of commerce is obtained from nickel-bearing magnetic and copper pyrites, and from a silicate of magnesia and nickel, known as garnierite. The latter forms the chief source of supply in the mining districts of New Caledonia.

Nickel is almost always associated as an alloy with the iron of meteorites. A new industry in which this metal has lately been employed is the manufacture of nickel-steel, an alloy of steel with about four per cent. of nickel, used in armour-plating for war vessels. There are large deposits of nickel in Canada.

Oil Wells.—The oil wells of North America are true artesian wells, which occur in the States of Illinois, Indiana, Kentucky, New York, Ohio, and Tennessee. There are also oil wells in Galicia, in Europe, and in 1865 a bed of very rich oil-shale was found in New South Wales.

Oolite.—The substance of oolitic rocks consists principally of carbonate of lime, sometimes crystallized, at others granular, and usually abounding in organic remains, as shells, etc. It consists of two parts, one of which forms the matrix, is mostly colourless, often crystalline, and exhibits a number of rounded or oval cavities, each of which contains a nodule or mass of a corresponding form. These nodules give the stone somewhat the appearance of the roe of a fish; hence oolite is sometimes called roe-stone. Some kinds of oolite contain grains of sand imbedded in the matrix between the nodules. The building-stones of Bath, Bristol, Portland, and Ketton, in Rutland, are oolitic.

Petroleum.—Petroleum and natural gas are products, seemingly of some kind of natural distillation of organic remains. Most frequently the remains are exclusively vegetable; at other times they are animal and vegetable remains intermixed; and, less frequently, they are solely animal remains.

The source of both petroleum and natural gas is found mainly in older rocks, especially of the coal age. Sandstones, shales, and clays are often highly charged with these products. The United States—New York, Pennsylvania, and Ohio—and Russia furnish

the greater portion of the world's supply of petroleum.

Platinum.—Platinum is usually classed with gold among the nobler metals. It owes its great value to the fact that it is not attacked by ordinary acids, and that it requires an enormous heat to melt it. It is usually found in an impure state as flakes and nuggets in gold-bearing rocks, and most of it comes from the Ural Mountains of Russia. The special use of this metal is for the wires of incandescent electric lamps.

Rock Salt.—Rock salt occurs in extensive beds in many parts of the world, and is the source of much of the salt used in commerce and manufactures. It is one of the few minerals that readily dissolves in ordinary water, and imparts to it a distinct taste. Rock salt has generally a vitreous lustre, and may be white, yellow, red, blue, or even black in colour.

The immense deposits of rock salt, from which the enormous amount of salt used in the United Kingdom for manufacturing and other purposes comes, are met with in Worcestershire, Shropshire, Staffordshire, Lancashire and Cheshire, and also in County Antrim, in Ireland. The salt is obtained by mining, as at Nantwich, in Cheshire. Brine-springs are also worked in Cheshire, Lancashire, Staffordshire, Durham, and at Droitwich, near Worcester.

Among the most remarkable of the salt mines in Europe are those of Altemonte in Calabria, Halle in the Tyrol, Cardona in the Pyrenees, and Wieliczka in Austria.

Sandstones.—Sandstone, one of the commonest of rocks, is built up of innumerable particles or grains of sand compacted into a hard rock.

The loose sandstone was cemented into hard rock by compression and chemical union with iron rust or lime for the cement. Sandstones may be fine grained, more or less adapted for building purposes; they may be flagstones, such as are used for paving and for coarse roofing; they may be grits, when coarse grained, as the mill-stone grits of the coal-measures; or they may be coarse conglomerates, or pudding stones, which are rarely available for any useful purposes.

Some of the best known sandstones of Great Britain are Craigleith stone, from near Edinburgh; Darley Dale stone, from near Matlock, in Derbyshire; Heddon and Kenton stones, from near Newcastle-on-Tyne, and the Mansfield stone, from Nottinghamshire.

Silver.—Silver occurs in a much greater variety of forms than gold, since it easily unites with sulphur, chlorine, and other mineralizers to form a number of distinct ores. As native silver, which is not common except as an alloy of gold, it occurs in long stringy masses, also in flakes, scales, and crystals. Like gold, silver is mainly associated with crystalline rocks, occurring in veins, lodes, and pockets.

Silver is a soft, highly ductile and malleable metal, with a specific gravity of about ten and a half. Its normal colour is white, but it readily tarnishes, and the presence of only minute traces of sulphur gas in the atmosphere causes it to enter into combination and turn black.

The greater part of the world's silver is not obtained from the native metal, but from one of its several ores, more commonly the black sulphur ore, argentite. Two forms of red sulphur silver are known as pyrargyrite and proustite. An exceedingly soft compound of silver is the natural chloride or horn silver, cerargyrite, which can be cut with a knife almost as easily as resin. Apart from these sources of supply, an important repository of silver is found in galena, the sulphur ore of lead, which in many regions is highly argentiferous.

The most important silver producing countries are the United States—Nevada, Montana, Colorado—Mexico, Bolivia, Australia, and Peru.

Slates and Shales.—Rocks, hundreds of thousands of feet in thickness, that appear in quarries and on mountain sides, are merely compacted mud, the sea bottoms or sea fronts of ancient times.

Such are most varieties of grey and blue roofing slates, the black and green writing slates. Some of these rocks are known to geologists as shales, because they shale off in slabs of regular and not very great thickness. It is to the thinner plates that the name of slate is given.

The chief supplies in Great Britain are derived from Blaenau Festiniog, in Merioneth, Penrhyn, in Carnarvon, and from districts in Argyle, Cornwall, Denbigh, Lancashire, and Perth.

Sulphur.—This is, in many ways, a most important mineral, for its combinations with silver, lead, zinc, and antimony form their sulphides, some of the

most important ores of these metals. In its native condition sulphur is a beautiful yellow mineral, occurring either massive or in crystals. It is easily cut with a knife, and it freely burns, when heated, with a pale blue flame, disengaging the suffocating sulphur gas.

Most of the sulphur of commerce is found in volcanic regions, Sicily, the Lipari Isles, and other similar places. The sulphur required for the manufacture of oil of vitriol is mostly obtained from iron pyrites.

Tin.—If tin occurs at all in the native metallic state it does so very rarely. Its most common ore is the oxide, when it forms the mineral cassiterite, or tinstone, a rich brown, hard substance, distinguished in its crystalline form by a beautiful lustre and a specific gravity of about seven. It occurs in certain granite rocks, but elsewhere it is found in rolled grains and pebbles, the so-called "stream tin," and in fibrous masses, "wood tin."

In the arts tin is extensively used as a coating for iron, forming the well-known tin-plate. With copper, in various proportions, it constitutes the forms of bronze known as bronze proper, gun-metal, bell metal, and some others. In combination with lead it makes pewter, and, with antimony, Britannia metal.

The tin mines of Cornwall and Saxony have been worked for centuries, and their output is largely supplemented by the product from Australia, the East Indian Archipelago and Mexico.

Zinc.—This metal is not known to occur pure in a native state. That which is used in the arts is extracted from one or more of the zinc ores, most largely from zinc sulphides, the mineral sphalerite, or zinc blende. This mineral is usually found in irregular or partially crystallized masses of a transparent grey or yellow hue, with a distinct resinous lustre. There is a remarkable association between this ore and galena, the two being so generally found together in the same deposits that they are frequently spoken of as lead-zinc ores.

Among the more important uses to which zinc is put is the manufacture of zinc-white, the oxide of the metal, a substitute for the lead-white of painters. Alloyed with copper it makes brass, and, in a different proportion, the so-called "white-metal." The coating of iron with zinc constitutes the process of galvanizing. Other but much less common ores which yield this very useful metal are the red oxide, known as zincite, and the silicate, calamine. The richest yields of zinc are obtained from Germany, Belgium, the United States, and the United Kingdom.

VEGETABLE ORIGIN. *Acacia.*—There are many trees of tropical and sub-tropical countries which contain a larger proportion of tannin than that yielded by oak-bark. One of these is a kind of acacia which grows in the mountainous parts of Hindustan, and yields the substance known as catechu, or Japanese earth. In Australia many of the acacias, or wattles, as they are called, yield tannin, and a valuable gum almost equal to gum arabic.

Apple (*Pyrus Malus*).—Numerous varieties of this useful fruit, produced by care and cultivation, are now grown. The apple is a hardy tree, flourishing nearly as far north as 62°, thriving best, however, in temperate climates. The wood is highly valued, for its close grain and great hardness, by turners, cabinet makers, and wheelwrights; but from a commercial point of view it is the fruit which has to be considered.

The London market is supplied with apples from Canada, the United States, Tasmania, Australia, and New Zealand.

Araucaria.—The araucarias are a handsome genus of evergreen cone-bearing trees, to which belong the Norfolk Island pine and the Brazilian monkey puzzle; but the most valuable timber tree of this genus is the bunya of Queensland.

Arrowroot.—This is the name given to various kinds of starch.

(1) West Indian arrowroot is obtained from the tubers of three species of maranta, very like the plants from which ginger is derived.

(2) East Indian arrowroot is the starch from the tubers of curcuma, a kind of ginger, and is sometimes called curcuma starch. It comes from Singapore.

(3) Tahitan arrowroot comes from a species of tacca.

(4) Portland arrowroot is extracted from the root of the common cuckoo-pint, the plant which children call lords and ladies (*arum maculatum*).

Ash (*Fraxinus*).—The ash is a deciduous tree, with very tough, elastic wood, much used for hoops, oars, coach-building, tool-handles and agricultural implements. It is a native of

Europe, Asia and Africa. The manna ash yields the manna sold by druggists.

Bamboo (*Bambusa*).—Bamboos are gigantic grasses which thrive in the tropics. In their multifarious uses they supply to the people of the countries in which they grow the place of the cocoa-nut with the South Sea Islanders, and the date palm with the Arabs. Furniture, ornamental articles, and even cycles, are now made of bamboo. Large quantities of this plant are imported for manufacturing purposes.

Battens.—Battens are pieces of fir-wood, from fourteen to sixteen feet long, and not more than seven inches wide or two and three-quarters inches thick. The best battens come from Christiania, in Norway, and an inferior kind is imported from America.

Box tree (*Buxus sempervirens*).—The wood of the box tree is hard, heavy, and close-grained; and these characteristics, combined with its light colour, cause it to be esteemed by engravers beyond all other woods; but it is both scarce and expensive. The supplies are chiefly obtained from Turkey in Europe and Asia, and from Northern Africa.

Camphor.—Camphor, so much used in medicine and in the composition of varnishes, is the resin of a kind of laurel (*laurus camphora*), which grows in China, Japan, and Formosa. In Formosa the culture and sale of this important commercial product is a Government monopoly.

Cassava.—This is the coarser part of the starch derived from the tuberous root of the jatropha manihot, a Brazilian plant of the spurge family, tapioca being the finer kind.

Cedar.—The cedar of Lebanon is a kind of pine, but the fragrant wood of which cigar boxes are made and in which the graphite of pencils is enclosed is the timber of the Virginian juniper, commonly known in America as red cedar (*juniperus Virginiana*).

Cereals.—The principal cereals, considered from a commercial point of view, are barley, maize, oats, rice, and wheat.

Barley (*hordeum sativum*) is the grain which can be cultivated over a wider geographical range than any other cereal, reaching its greatest perfection, however, in the temperate zone. After wheat, it is the prevailing grain crop of the United Kingdom, which also imports further supplies from Russia, Roumania, Germany, Denmark, and Turkey.

Maize (*zea Mays*), or Indian corn, a native of America, is now cultivated for its useful grain in most warm countries. A tall, stout-growing plant, it rather resembles a cane than a grass, and reaches a height of over six feet, the stalks being surmounted by thick heads, or cobs of grain, enclosed in sheaths. The chief supplies of the United Kingdom are drawn from the United States, Roumania, Italy, Southern Russia, and Egypt.

Oats (*avena sativa*).—There are numerous varieties of oats, such as the white, black, and potato oat, and this cereal thrives best in cold, moist climates, and in elevated regions. The largest quantities are grown in Russia, Germany, Scandinavia, Scotland, Ireland, and New Zealand.

Rice (*oryza sativa*), which needs great heat and irrigation, is largely cultivated in the tropics. It is the staple food of the millions who dwell in and around the enormous deltas and the low alluvial plains of Burma, Hindustan, China, Japan, and Java. The swamps of Carolina and the plain of Lombardy are other noted districts where rice is grown. Large quantities of this cereal are imported into the United Kingdom, but much of it is again exported.

Wheat (*triticum vulgare*) is probably the most valuable of all the cereals. It is now cultivated in hundreds of varieties, and new ones appear almost every year. They are produced by a very careful selection of seeds from plants that show a tendency to vary in the direction desired, and these are cultivated separately until the wished-for result is obtained.

The wheat crop of the United Kingdom is only about one-sixth of the quantity consumed, and the deficiency is supplied by importations to the extent of about 70 million cwts. annually from the United States, Russia, Roumania, the Argentine Republic, Canada, British India, and Australasia. The only European countries which export more wheat than they import are Russia, Roumania, Austria-Hungary, Bulgaria, and Servia.

Cheesewood (*Pittosporum bicolor*).—The timber commercially known as cheesewood grows in the woods of Victoria and Tasmania.

Cinnamon (*Cinnamomum zeylanicum*).—Cinnamon consists of the inner bark of a kind of laurel, a native of India and Ceylon, for which cassia, a coarser

and less aromatic bark of another laurel, is frequently substituted.

Cocoa-nut fibre or *Coir.*—The fibre from the cocoa-nut, also called coir, is now applied most successfully to the manufacture of mats, matting, cordage, brushes, brooms, and many other articles. From the albumen of the seed an oil, known as cocoa-nut butter, is obtained, and is much used in the manufacture of soap and candles. The cocoa-nut palm (*cocos nucifera*) grows luxuriantly in India and Ceylon.

Cork.—Cork is the outer bark of the cork oak (*quercus suber*), which is cultivated in Spain, Portugal, and France, from which countries the supplies are obtained.

Deals.—These are planks made of fir-wood, more than six feet long and more than seven inches wide. They are generally three inches thick, and, when sawn thinner, are called boards. Most of the deals imported into this country come from Sweden, Norway, Russia, and North America. Those from northern Europe, called Baltic timber, are of the best quality.

Drugs.—The principal drugs of commercial importance are the following, in alphabetical order :—

Aloe, cultivated in Cape Colony, the East and West Indies, and in Barbadoes, the extract of the juice of which is used in medicine as a purgative.

Assafoetida and galbanum, procured from Persia, the East Indies and Tibet, highly disagreeable smelling gum resins, and remedies of great value in hysterical complaints. They are yielded by umbellate plants closely related to the poisonous hemlock, dropwort, and fool's parsley, which are commonly found in hedges and on waste lands.

The Castor Oil plant (*ricinus communis*) is a member of the spurge family ; and the oil of its seeds is one of the mildest purgatives known, although that of the seed-coats is very acrid and dangerous.

The seeds of the croton plant (*croton tiglium*), another handsome plant of the same family, which grows in Malabar and Tenasserim, also furnish an acrid oil, which is used in medicine as an active purgative and emetic.

Gentian, the product of a plant of the same name, which covers the sides of some of the hills in southern Europe and Asia, is much valued in medicine as a tonic. This is owing to a very bitter principle which exists in the leaves, flowers, bark, and roots.

The wood of the lignum-vitae tree (*guaiacum officinale*) of the West Indies and tropical South America yields the resinous bitter principle known in medicine as guaiacum.

The ipecacuanha of commerce is yielded by the root of a plant belonging to the violet family which grows in South America.

The convolvulus family yields two important drugs, jalap and scammony.

Scammony is the resinous milky juice obtained from *convolvulus scamonia*, a species which grows in the countries bordering on the Levant, and which hardens when exposed to the air.

The drug known as jalap is the powdered root of a Mexican species (*ipomoea purga*), which, when administered in proper doses, is a safe as well as an active medicine. It is also a very cheap one, and a very large quantity is accordingly consumed in this country, being chiefly imported from Vera Cruz.

The fatal drug, *nux vomica*, from which the powerful poison strychnine is obtained, consists of the seeds of an East Indian plant, which is also found in northern Australia.

Opium is contained, in small amount, in the milky juices of many plants, but especially in the poppy order. The species which yields it most abundantly is the white poppy (*papaver somniferum*), when grown in a hot climate. More opium is prepared in Hindustan than in any other country, the annual export of this article being valued at more than eight millions sterling.

The Peruvian bark family of plants furnishes some of the most valuable drugs, among which are cinchona and quinine. The bark of these trees contains a large quantity of quinine which is a cure for ague, and is extremely valuable as a tonic. It is from trees growing in elevated situations that the best bark is obtained. The cinchonas, of which several kinds afford the drug, grow naturally in the dense forests of the tropical Andes, and are cultivated in Ceylon.

Sarsaparilla is yielded by the root-stocks of lily-like plants (*smilax*), which grow in tropical America, and are cultivated in India, China, and Australia.

Senna and liquorice are yielded by two bean-like plants ; the former substance being derived from the leaves of several kinds of cassia which grow in Egypt and Arabia, the latter from the roots of a plant cultivated in the south of Europe.

Dyes.—The colouring matter of rapidly-growing parts is seldom suffi-

ciently permanent, when removed from the plant, to render it valuable for dyeing textile fabrics; and the substances used for these purposes are chiefly obtained from the heart-wood, roots or bark. Sometimes, however, dyes are obtained from leaves or fruits.

Indigo is the most important of all the blue dyes. It is obtained from the juices of several species of the genus *indigofera*, herbaceous plants of the pea and bean order, which grow in almost all parts of the torrid zone. The indigo, which pervades the leaves and other green parts of the plants, is usually extracted by fermentation.

Nearly all the indigo imported into the United Kingdom is produced in the East Indies; much of it is re-exported.

A violet hue is easily given to cloth by mixing blue and red dyes in any required proportion; but there are some plants which yield a violet or purple dye without any admixture. The chief of these is logwood, the produce of *hæmatoxylon campechianum*, a tree of the pea and bean order growing in the bays of Campeachy and Honduras. The peculiar colouring matter which is yielded by the heart-wood is called "hematin." The deep violet or purple hue of the fluid, formed when chips of logwood are boiled in water, can be changed to black by proper treatment; hence the chief use of this substance is in dyeing black and producing all shades of grey. Logwood is now imported from Jamaica, as well as from British Honduras.

The principal red dye obtained from the vegetable kingdom is madder, the produce of *rubia tinctoria*, a plant closely allied to the common bedstraws of our hedges, which grows naturally in the Levant, and is successfully cultivated in the south of Europe. The colouring matter is obtained from the roots. Other valuable red dyes are obtained from the heart-wood of two trees known as Brazil wood and Nicaragua wood, both of which are found in Central and South America.

A very excellent yellow dye, known as quercitron, is obtained from the bark of the black oak of America (*quercus tinctoria*). A much greater demand, however, exists for the dye termed fustic, which is extracted from the woods of a kind of mulberry tree (*maclura tinctoria*), which grows in Brazil and the West Indies. Arnatto is another yellow dye, obtained from the pulp lying between the husk and the seeds of the arnatto tree (*bixa orellana*), a native of both the East and West Indies. Turmeric is procured from the roots of an East Indian plant of the ginger order (*curcuma longa*).

Fawn and brown dyes are obtained from the shoots of the sumach (*rhus coriaria*), a native of Southern Europe and Syria.

Gambier.—Gambier or *gambir* is a kind of catechu prepared from the leaves of *nauclea gambir*, a plant of the cinchona family, which grows in Malacca and the East Indian Archipelago. It is one of the most powerful astringents, and is largely employed in tanning and dyeing.

Gum.—The chief employment of gum is in calico-printing, where it is used to stiffen the cloth before the colours are applied, in order that they may not run. The kind termed Gum Arabic, which is the one most valued, is obtained from certain species of *acacia*, which flourish in the hottest parts of Arabia and central Africa. Gum Senegal is similar to Gum Arabic, but is of an inferior quality. Gum Tragacanth is obtained from a low, prickly shrub, belonging to the pea and bean order, which grows in the Levant. This gum is used in some kinds of calico-printing, in which the chemical action of the dyes on other gums would injure their qualities.

Gum trees or *Eucalyptus.*—The Tasmanian blue gum (*eucalyptus globulus*) is widely known, producing a hard, durable wood, in great request for shipbuilding and railway sleepers. The jarrah (*e. marginata*) of West Australia, the ironbark (*e. leucoxylon*), and karri (*e. diversicolor*) are also famed for their splendid timber. Some of the streets of London are paved with jarrah.

Hops (*humulus lupulus*).—Hop gardens are chiefly found in Kent, Sussex, Hereford, Surrey, Worcestershire and Hampshire, but the quantity grown in this country is not sufficient to supply the home demand, and large imports are made from Tasmania and Europe.

India-rubber.—Another vegetable secretion of great commercial importance, and for which new and valuable applications are constantly being discovered, is caoutchouc, commonly known as india-rubber. It forms a part of the white juices of several orders of tropical plants, especially of the bread fruit, the oleander, the fig and the spurge orders. It occurs in the form of minute globules, diffused as an emulsion in the white juices of the plants. The caoutchouc

of Sumatra and Madagascar is obtained from *urceola elastica* and *vahea elastica* respectively, plants allied to the periwinkle of our shrubberies. That of Para, Demerara, and Surinam is furnished by species of *siphonia*, allied to the spurges of our woods and fields. The india-rubber of some South American trees is obtained from several species of figs; and the original india-rubber of the East Indies and Japan is contained in the juice of the now well-known *ficus elastica*. Gutta percha is a similar product of the milky juice of the to tree (*isandra gutta*), which grows in Borneo. Some idea of the magnitude of the trade in these products may be gathered from the fact that over 7 million pounds' worth of caoutchouc is annually imported by this country. India-rubber goods and waterproofs of British manufacture are in great demand.

This has been called an "India-rubber Age"; and for this modern necessary of life dependence has to be placed upon a lazy race of South Americans, each of whom can earn three pounds a day by cutting gashes in the trunks of the rubber trees which line the swampy valleys of the Amazon and its tributaries. They cut gashes in the bark, and place under the wound a little clay dish. The fluid which runs out of the bark of the tree is collected and dried over a fire of oily nuts.

Lac-dye and *Lac-resin*.—Lac is a resin which exudes from the branches of several trees of tropical climes, especially from *ficus religiosa*, *f. indica*, and *rhamnus jujuba*, when bored by the insect known as *cossus ficus*. From this resin the red colouring substance called *lac-dye* is prepared, and the remainder, called seed-lac, is melted down into *shellac*.

Macaroni.—Until recently, the manufacture of macaroni was confined to Italy, especially Genoa, but it is now made in various parts of the south of France. It is made of the finest wheat.

Mastic.—Mastic is a resinous gum obtained from the lentisk tree (*pistacia lentiscus*), which hardens into straw-coloured drops. It is imported from the Mediterranean region of Europe and Africa.

Maté.—Maté, a substitute for tea, consisting of the dried leaves of the Brazilian holly (*ilex paraguayensis*), is extensively consumed in South America, and has recently been imported into England.

Oak.—The different species of oak constitute a numerous family, distributed over a wide geographical range. The northern hemisphere has a liberal share of different kinds. Other species are found in Java, the uplands of Mexico, South America, and southern Europe. In cool climates, such as that of Great Britain, the oak grows to a great size, and is highly esteemed for its valuable timber and astringent bark, the latter being used by tanners and in medicine.

The cork oak (*quercus suber*), a native of southern Europe, produces the well-known cork of commerce. The valonia oak (*quercus aegilops*), is very extensively cultivated along the shores of the Mediterranean Sea. The acorn-cups of this tree produce tannin in large quantities.

Oak galls, chiefly obtained from *quercus infectoria*, a native of the Levant, are used in the manufacture of ink. They are excrescences caused by the punctures of gall flies.

Many of the American oaks, especially the post, white, rock-chestnut, live, shingle, and black, are of commercial value, either for timber or tannin, or both.

Oils.—The large number of oils obtained from plants may be divided into the fixed or fatty oils, from which no vapour passes off at the temperature of boiling water, and the essential oils, which give off vapour.

Fixed Oils.—Of the fixed oils that in greatest request is olive oil, which is obtained both from the pulp of the fruit and the seeds of the olive tree (*olea Europea*), the former being of better quality. Originally a native of Syria, Persia, and other tropical countries of western Asia, the culture of the olive has gradually spread itself over the south of Europe and the north of Africa. Commercially, the oil is largely used in the manufacture of superior kinds of soap, and for various other purposes.

Linseed oil, which is obtained from the seeds of the flax plant, is of very general application in the arts, especially in oil-painting, and in the composition of varnishes, as it dries on exposure to the air. When boiled it is termed "drying oil," and is then used for the manufacture of printers' ink, which is a kind of paint composed of oil and lamp-black.

Other vegetable oils are extracted from hemp, cotton, and poppy seeds.

The importance of these seeds commercially will be seen from the fact

that the United Kingdom imports oils and oil seeds valued at 11 millions sterling annually from India, Egypt, Russia, the Argentine Republic, and the United States, a great proportion of which consists of flax and cotton seeds.

Palm oil is obtained from the fruit of several kinds of palms which grow in West Africa. The oil, which is contained in the kernel of the nut, is imported in large quantities to the United Kingdom for the use of the soap maker and the perfumer, the value of the import being about a million and a quarter sterling annually.

Essential Oils.—The essential or volatile oils are chiefly obtained from the leaves and flowers of plants; sometimes, however, they exist in the wood, bark, or seeds. One of the best known, and commercially the most important of these, is oil of turpentine, commonly termed spirit of turpentine, which exists in combination with resin, in special receptacles in the wood of pines and firs. Common turpentine is obtained from the Scotch fir when growing in the south of Europe and the southern parts of North America. A superior kind, yielded by the larch of southern Europe, is known in commerce as Venice turpentine. Several other resins yielded by plants, which are commonly termed gums, are of commercial importance. Copal is obtained from a species of sumach when grown in tropical Africa. Mastic is a similar product. Dragon's blood is a red resin which exudes in drops from the stems of several trees growing in the tropics generally.

Oranges and Lemons.—There are many kinds of oranges imported to this country from Spain, Malta, Italy, Florida, California, and even from Australia; but we are almost wholly indebted for our supplies of lemons to the countries bordering on the Mediterranean.

Spices and Condiments.—Spices are natives of tropical climates—chiefly of the East and West Indies, for none of the plants yielding them are sufficiently hardy to be grown in temperate climates.

Allspice is the fruit of the pimento, a tree of the myrtle order, cultivated in Jamaica. The spice is so called because it unites the flavour of cloves, cinnamon, and nutmegs. It is largely used in consequence of its cheapness when compared with other spices.

Cinnamon is grown in Ceylon; it is also cultivated in Java, and has been introduced into the West Indies. It is the bark of a kind of laurel.

Cloves are the dried, unopened flower-buds of a small tree belonging to the myrtle order, which is a native of the Moluccas, or Spice Islands. The culture of cloves has been introduced into both the East and West Indies.

At one time the trade in cloves was a monopoly of the Dutch, and so determined were they to keep it in their own hands, that they destroyed the trees in all the islands of the Moluccas except Amboyna, the seat of their government.

Ginger consists of the underground stem of a plant not very unlike the iris of our gardens. Originally a native of tropical Asia, it has for a long time been successfully cultivated in China, the East Indies, and the West Indies.

Mace and Nutmegs. These are both produced by the same plant, a tree belonging to the laurel order. The nutmeg tree was formerly confined to the Moluccas, but it has been introduced into Java, Sumatra, Penang and other islands of the East as well as into the West Indies.

The nutmeg is the single seed contained within a fleshy fruit, not unlike an apricot in appearance. As it ripens it bursts into halves, displaying the seed between them. The nutmeg is enveloped in a netted covering; this is the mace of commerce.

Mustard consists of the ground seeds of two plants known respectively as *sinapis alba* and *nigra*.

Pepper consists of the berries of a climbing shrub (*piper nigrum*), largely cultivated in Malabar, Sumatra, Java, and the West Indies. The black pepper of commerce consists of the entire fruit. The husk is removed to make white pepper.

Vanilla is the fragrant fleshy fruit of the tropical American climbing orchids, *vanilla aromatica* and *planifolia*.

Spirits.—Ardent spirits are produced when fermented liquids, such as wine or beer, are distilled. Alcohol is produced in large quantities, and small but varying proportions of volatile oil impart to each kind of spirit its peculiar flavour and odour.

Brandy, or Cognac, derives its various flavours from the juice of the grape. It is principally manufactured in the valley of the Charente, Cognac being the centre of the industry, and Tonnay-Charente its principal port of shipment.

British imports of brandy reach the

annual value of about 1¼ million sterling.

Rum obtains its odour and taste from molasses, the scorched and altered juice of the sugar cane, and the supplies are chiefly obtained from Jamaica and Demerara.

Whiskey obtains its peculiar flavour from the grain which is used in its manufacture. It is distilled both in Scotland and in Ireland. It is chiefly from malted and raw grains of various kinds that ardent spirits are distilled in the United Kingdom, in northern Europe generally, in the United States and in Canada. Maize is extensively employed in the United States, and potatoes on the continent of Europe; but potato spirit is more injurious than any other.

Starches.—The principal starches of commerce are arrowroot, sago, and tapioca.

West Indian arrowroot is obtained from the underground stems of *maranta arundinacea*, a native of the West Indies and the tropical parts of the American continent. The stem is beaten and the arrowroot washed out of it.

East Indian arrowroot is made from the small round tubers of *canna edulis*, the same plant that yields tumeriz. It is not so silky in appearance as the West Indian, and does not feel so firm between the fingers.

Sago. The soft interior of the stems of some palms are nearly or quite destitute of woody fibre, the cells being filled with starch. This is the case with the sago-palm (*sagus farinfera*) of the East India Islands, the starch of which is washed out, rubbed through a sieve, and sent to Europe.

Tapioca is the starch of a deadly poisonous plant termed *jatropha manihot*, a native of South America. The juice of the root was employed by the savages to poison their arrows.

Substances used in Paper Making.—Some paper, as is well known, is manufactured from cotton and linen rags, so that it consists of a kind of fibrous felt; but owing to the growing demands for paper other substances have been called into requisition.

(1) Most kinds of straw are useful for paper making, rye, oat, wheat, and barley. The two former are the most important as they give the largest yield of fibre.

(2) In Scandinavia, Germany, the United States, and Canada wood is the article chiefly used for paper, owing to the immense forests. From each of these countries there is a large export of wood pulp which is obtained from spruces, pines, and poplars of various kinds.

(3) Esparto grass (*stipa tenacissima*) is also used, chiefly for book papers and the low price qualities of writings.

Rice paper, as it is termed, is a totally different material from ordinary paper, consisting of thin layers, cut by a peculiar operation, of the pith of a Chinese tree (*aralia papyrifera*).

Papyrus is the pith of *papyrus syriacus*, a kind of sedge cut into slices, laid one upon the other, and pressed so as to form a compact sheet. The paper made from papyrus is inferior to that now produced in every respect except durability.

Materials for making paper form an item of considerable value in the list of imports of the United Kingdom. The value of wood pulp imported amounts to over 2½ millions sterling, that of esparto to something like another million; and there is, in addition, an importation of cotton and linen rags of the value of about a quarter of a million.

Sugar.—Sugar is found in the juices of a great number of plants, but the sugar of commerce is chiefly obtained from the sugar-cane, beet-root and the sugar maple.

The sugar cane (*saccharum officinarum*), which is a large grass, has been cultivated by the Chinese from very remote times. It was introduced by the Saracens into Sicily and Spain, and from the latter country it was carried by the Spaniards into the West Indies. A second species of sugar cane, a native of the New World, is also cultivated in the tropical portions of America. The sugar cane is found in India, and the manufacture of sugar has been carried on there from a very early period.

In the northern United States and in Canada sugar is obtained from the sweet maple (*acer saccharinum*).

In France, Holland, Belgium, and Germany, sugar is made from beet-root, and the manufacturers receive a bounty on every ton exported; and as this bounty-fed sugar can be produced more cheaply than cane sugar, it nearly brought about the ruin of the British colonies in the West Indies and Guiana, until they were assisted by the Government in 1898.

The British people import sugar to the value of above 19¼ millions sterling annually, about six-sevenths of which is beet-root sugar. About one half of the supply comes from Germany. Other

sources from which importation is made are France, Holland, Belgium, the United States, British Guiana, West Indies, the Philippine Islands, British India, Brazil, and Peru.

Tea, Coffee, and Cocoa.—Tea is manufactured from the leaves of a small evergreen shrub (*thea chinensis*), much like the camellia, and belonging to the same natural order. The plant is a native of China, Japan, and some parts of British India, where its culture is of great importance. It is also largely grown in Ceylon.

Until recently, the tea imported into the United Kingdom came chiefly from China; but, of late years, India and Ceylon teas have largely taken the place of those from China. The value of the tea annually imported is 11 millions sterling, nine-tenths of which comes from British India and Ceylon, most of the remainder being Chinese tea.

The latest returns show that the proportion of tea imported from China is decreasing, while that from India is on the increase. The figures are, British East Indies, 5½ million pounds sterling; Ceylon, over 4 millions sterling; China, less than 1 million sterling.

Coffee consists of the seeds of a pretty evergreen shrub (*coffea Arabica*), belonging to the same order of plants that furnishes cinchona. Originally a native of Abyssinia, the coffee shrub was introduced into Arabia in the year 1454, Brazil in 1774, and it is now largely cultivated in many tropical countries, especially in Brazil, the states of Central America, the East and West Indies, Ceylon, etc.

The United Kingdom imports coffee to the value of about 2½ millions sterling annually, from the United States, Brazil, Costa Rica, Guatemala, Colombia, and Ceylon.

Cocoa consists of the seeds of the cacao tree (*theobroma cacao*), a plant closely allied in the structure of its flowers to hollyhocks. It is a native of Central America, but is now extensively cultivated in the West Indies, and has been introduced into the tropical parts of Asia. Cocoa, to the value of about 2½ millions sterling, is annually imported into this country from Trinidad and other West India Islands, New Granada, Ecuador, and Brazil.

Tobacco.—The tobacco of commerce is prepared from the leaves of two species of plants belonging to the same natural order as the potato, namely, *common green tobacco* (*nicotiana rustica*), of northern India, Tibet, western China, and Syria; and Virginian tobacco (*nicotiana tabacum*), of America and southern India. It was used in Persia, in which country it still grows, long before the discovery of America; but it is from that continent, and from the West Indies, that most of the British supplies are derived.

The annual value of the tobacco imported amounts to more than 5 millions, and of this about three-fifths comes from the United States.

Latakia is a mild and finely flavoured tobacco, named from a seaport of Syria, in the neighbourhood of which it is cultivated.

The tobacco imported from the southern states of America is the kind most frequently smoked in a pipe, the produce of Havana and Manilla being generally converted into cigars and cheroots. Tobacco is extensively cultivated in France, Germany, Holland, Belgium, the southern provinces of Russia, in Turkey, Syria, and India.

The finest tobacco comes from Cuba; the produce of Manilla is, perhaps, the next in quality, while the southern United States produce the greatest *quantity*.

Vegetable Fibres.—The raw materials of which textile fabrics are manufactured are derived from both the vegetable and the animal kingdoms, but those from the former source are alone mentioned in this section.

Cotton consists of the fine fibres surrounding the seeds of the cotton plant (*gossypium*), of which there are several varieties. The cotton plant belongs to the same natural order as hollyhocks. Some varieties are herbaceous annuals; others are shrubs; while one even attains the size of a small tree. In upland cotton the fibres adhere firmly to the seed, while in the long-stapled sea-island cotton the seeds are free and merely enveloped in the fibres.

The cotton plant is largely cultivated in India, China, the United States, Egypt, and the other countries bordering on the Mediterranean Sea.

The imports of cotton and cotton goods by the United Kingdom reaches the enormous value of over 40 millions, eight-ninths being imports of the raw material. Three-fourths of this immense quantity comes from the United States, about one-fifth from Egypt, leaving British India and Brazil to provide much of the remainder.

Flax fibres were employed as a material for clothing in very ancient times. The plant (*linum usitatissimum*) is an annual, bearing blue flowers, and is largely cultivated in Ireland and Russia. Our imports of flax amount to about 3 millions sterling per annum, and are obtained chiefly from Russia, Belgium, Holland, and Germany.

Hemp is yielded by an annual (*cannabis sativa*), belonging to the same natural order as the nettle. Our average annual supply from abroad is valued at over 3 millions.

The plant was brought to Europe from Persia, and is supposed by many to be a native of India; but, like tobacco and the potato, it has a wonderful power of adapting itself to differences of soil and climate. Hence, it is now cultivated, not only on the plains of Persia, India, and Arabia, but also in Africa; in America, all over its north-eastern states and provinces; and on the flats of Brazil; and, in Europe, in almost every kingdom and country. In Russia it is an important article of culture, even as far north as Archangel; and, from that region, our manufacturers have been accustomed to receive large supplies of its valuable fibre. Half of our annual supply comes from the Philippine Islands; the remainder being made up by Italy, Germany, Russia, and British India.

Jute is the fibre of an Indian plant (*corchorus capsularis*) belonging to the same natural order as the lime tree. The plant is largely cultivated in India, whence Dundee receives its large supplies of this article. The inner bark of the tree supplies the commercial fibre, just as the inner bark of the lime tree supplies bast and Russian matting. It is widely cultivated in Bengal, the rich alluvial soil and hot moist climate being favourable to its growth. It is only recently that jute has come into extensive use in the manufacture of textile fabrics in this country. In India, this manufacture has long been an important industry among the Hindus. Dundee is the chief seat of the jute manufacture in Britain. Almost all the jute comes from Bengal, the average annual import of jute and jute goods being over 6¼ millions sterling.

Manilla Hemp. This is the fibre of the *musa textilis*, a plant closely allied to the banana, and the same plant also yields a finer fibre from which some of the most delicate Indian muslins are made.

New Zealand Hemp. The leaves of the *phormium tenax*, a lily which grows in New Zealand, yield the New Zealand hemp of commerce, one of the strongest vegetable fibres known.

Vegetable Ivory.—An ivory now much used by turners for making small trinkets is of vegetable origin, and is the kernel of a nut produced by a palm which grows in the low valleys of the Peruvian Andes. These kernels are known to commerce as "corosco nuts."

Timber. The word timber is often used in a two-fold sense. It is applied to such trunk of trees as are suitable, from their size and quality, to be sawn into planks, for building purposes, and the planks so obtained are also called timber. Lumber is the name given to timber by the Americans.

Although neither the strongest nor the most durable, the soft wood timber obtained from the great natural order of cone-bearing trees (*coniferae*), the pines and firs, is of the greatest value in a commercial sense, because it is plentiful, and therefore of a low price. Moreover, it is easily worked. These trees also yield turpentine.

In Sweden and Norway, in Russia and Germany, and especially in Canada, there are vast pine forests from which the main supplies of the United Kingdom are obtained. But there are also valuable forests of these trees on the slopes of the Alps and Pyrenees, and also in Scotland.

The principal timber trees in these forests are the Scotch fir, the spruce fir, the silver fir, the Weymouth pine, and the larch. The timber of the Scotch fir, which produces the most valuable of these, is known by the names of Riga fir, red pine, and red deal. It is chiefly obtained from Sweden, Norway, and Russia. The red pine and the pitch pine of America are also valuable.

The Weymouth pine is the great coniferous tree of the Canadian forests, and its timber is the yellow pine of American commerce. It is neither so durable nor so elastic as the red pine, but it is more easily worked.

The timber of the spruce and silver firs is called white deal, or white Norway, Christiania, and Danzig deal. White deal does not usually warp, and hence, is used for floor boards. Spruce poles are much used whole for scaffolds, masts, and flag poles, and, split, for ladders. The timber of the larch is noted for its durability.

First among hard wood timber comes

the common British oak, which surpasses all other woods in strength and durability. Much oak timber is imported from America, but it is far inferior in quality to English oak.

Other valuable hard woods of this country are the ash, birch, elm and beech. Of imported hard woods, teak, from India, especially Burma, and mahogany, from Central America, are the best.

The total value of all the timber, both hewn and sawn, imported annually into the United Kingdom is over 25 millions sterling; the largest supplies being drawn from Sweden and Norway, 7½ millions sterling; Russia, 6 millions; Canada, 5¼ millions; United States, 2¼ millions; Germany and India, ¾ of a million each. London is our chief timber port; after it Liverpool, Cardiff, and Hull receive the largest quantities.

The Vine. Although cultivated in all the warmer parts of the world, the vine was originally a native of the south of Asia, from whence it has been carried to Europe, Africa, and America. Australian grape vines were imported from Europe.

In this country the fruit of the vine does not arrive at a sufficient degree of perfection to make wine without the addition of sugar, nor is the warmth of the sun powerful enough to dry raisins; we are, therefore, dependent upon other countries for our supply.

Raisins are dried grapes; Valentia raisins being first removed from the plant, scalded and dried in the sun.; Muscatel raisins are dried on the vine and not scalded. The small Sultana raisins, having no seeds, are grown in Turkey in Asia; and the small grapes, known as currants, are produced in the Ionian Islands. Large quantities of all these kinds are imported annually.

Wine.—The common grape vine is cultivated in all suitable climates; the description of wine produced from the grapes varying greatly; some districts being celebrated for a heavy, full bodied vintage, while others are as famous for wines of a lighter character. Soil, climate, and many other circumstances, are studied by vine growers in making choice of the varieties suitable to particular localities; and, when long in cultivation in a particular spot, a vine has been known to become changed in character from the circumstances just mentioned.

More than one-third of the wine of the world is produced in France, nearly one-fourth in Italy, and less than one-fifth in Spain, the remaining wine producing countries being Austria-Hungary, Portugal, Germany, Balkan Peninsula, Algiers, Russia, the United States, and Australia. The United Kingdom imports wines to the value of about 5½ millions sterling annually, more than half of which comes from France, less than one-fifth from Portugal, and more than one-seventh from Spain.

Burgundies, which are considered by experts to be the finest wines in the world, are chiefly the produce of the vineyards of the Côte d'Or, a department in the east of France, containing the towns of Samur, Dijon, and Beaune. Australian Burgundies are ousting the French article from many parts of the United Kingdom.

Champagne is a wine made from grapes grown in an ancient province of France, to the east of Paris, called by the same name. The white champagnes of Rheims and Sillery are considered the best; those of Ay and Mareuil are more sparkling and less spirituous.

Claret is the name used in England to denote the red wines of the Gironde, exported from Bordeaux.

Hock is a white Rhenish wine, so-called from Hochheim, near Mayence, in Germany. There are two kinds, still and sparkling.

Hungarian Wines, such as Carlowitz and Tokay, are noted.

Italian wines do not enjoy so high a reputation as those of France; the best known light wines of Italian origin are the Capri, of Naples, and the Chianti of Tuscany. The Marsala of Sicily is a strong wine.

Lachrymae Christi is the name given to one of the best of Italian wines. There are two kinds, the white and the red, the former being generally preferred Similar wines are made in Candia, Cyprus, and the islands of the Archipelago.

Marsala, a wine resembling sherry in appearance, is made from grapes grown on the west coast of Sicily.

Moselle is a white wine exported from the district about the river Moselle, in Germany. It may be obtained either still or sparkling.

Port is a red wine shipped principally from Oporto; whence its name. The grapes from which it is made are cultivated in Cima de Douro, a mountainous district in Portugal. Port wine is generally fortified with added spirit before reaching the United Kingdom.

Sherry, so-called because it is exported

from Xeres, is a well-known Spanish wine.

COMMERCIAL TREATIES. (Fr. *Traités de commerce*, Ger. *Handelsverträge*, Sp. *Tratados de Comercio.*)

Agreements between different countries for the regulation of their mutual trade. In countries which adopt protective principles, the tendency will be for the governments to admit freely those articles which are required for its use and manufactures, but to exclude as far as possible those which compete with its own productions. It is with a view of regulating particular tariffs in the interests of all parties that commercial treaties are framed, by which importations are permitted on more favourable terms by one of the contracting parties to the other party to the treaty than to the world in general. England having adopted a free trade policy has to offer other inducements than a lowering of tariffs in return for tariff concessions from other countries.

COMMISSION. (Fr. *Commission*, Ger. *Provision*, Sp. *Comisión.*)

The mode of remuneration for services rendered by agents in commercial transactions, generally taking the form of a percentage on the amount of business done.

COMMISSION AGENTS or COMMISSION MERCHANTS. (Fr. *Négociants commissionnaires*, Ger. *Kommissionäre*, Sp. *Agentes en Comisión.*)

Persons who buy and sell goods, or transact business generally for other persons, and who are rewarded for their trouble by a certain payment, generally calculated at so much per cent. upon the amount of the transaction.

It is always advisable that the terms of the employment of commission agents should be made as clear as possible, as disputes arise very frequently between principals and agents as to whether the remuneration or commission has in fact been earned. The courts have latterly favoured the agents if they have made it clear that their work has been in any way productive of the successful termination of any transactions in which they have been expressly or impliedly engaged. Generally speaking, they may be said to be entitled to their commission if they have brought together their principals and third persons ready and willing to conclude proposed contracts, even though the contracts are never, in fact, concluded.

Difficult questions arise when two or more agents are employed to carry on the same work, e.g., house agents employed to sell a house. The facts of each particular case are the only guide to the settlement of such adverse claims, and the decisions are somewhat conflicting.

A few examples from many reported cases may be given. In *Burton* v. *Hughes*, 1 *Times* L.R. 207, a house was placed by A in B's hands for sale at £16,000. B gave C an order to view the house. The house was viewed, but C at first gave up the idea of purchasing it. Subsequently, after an abortive attempt to sell the house by auction, C bought it for £11,000. It was held that B was entitled to his commission. In *Taplin* v. *Barnett*, 6 *Times* L.R. 30, A was commissioned to sell a house. After three months it was put up to auction by another agent, and then bought by B. B had already been introduced by A, but it was decided that A has no claim for commission, since it was not by his intervention that the sale had really been effected. In *Green* v. *Bartlett*, 14 C.B. N.S. 681, an auctioneer, A, was employed to sell an estate at 2½ per cent. commission "if the estate should be sold." It was not sold, but at the auction B asked for the name of A's principal. B afterwards bought the estate privately without any further intervention by A, and A was successful in his claim for commission. "It has usually been decided that if the relation of buyer and seller is really brought about by the act of the agent, he is entitled to commission, although the actual sale has not been effected by him." Lastly, in *Barnett* v. *Brown*, 6 *Times* L.R. 463, the vendor of the lease of a house employed two agents, A and B. A informed C of the house, and C viewed it. C applied to B, and again viewed the house. C subsequently communicated with both A and B, but finally continued negotiations and purchased through B. It was decided that B was entitled to the commission, though it was strongly contended, on behalf of A, that there could only be one introduction. If A had really brought about the sale, and B had merely finished the negotiations, then A would have been entitled. The question between the parties resolved itself into this, whose introduction was the effectual cause of the purchase?

All the ordinary rules as to agency are, of course, applicable to commission agents.

COMMITTEE OF INSPECTION. (Fr. *Comité d'inspection*, Ger. *Gläubigerausschuss*, Sp. *Comité de Inspección.*)

A number of creditors appointed by the whole body of creditors to watch over the settlement of the affairs of a bankrupt, or of a company which is being wound up, and to supervise the trustee.

Bankruptcy.—The committee consists of not more than five nor less than three persons. They are selected by the creditors by ordinary resolution, and any creditor or the holder of a general proxy or general power of attorney from a creditor may be appointed, provided that the creditor proves his debt before he or his proxy or attorney acts upon the committee. The members of the committee must meet at least once a month, and may act by a majority of the number present at any meeting, if a majority of the whole committee are present. If any vacancies occur the remaining members may still act so long as there are at least two continuing members. Vacancies are to be filled as soon as possible by the election of additional members.

Any member of the committee may resign by giving notice in writing to the trustee, and any member may be removed by ordinary resolution at a meeting of the creditors, convened for the purpose. If a member becomes bankrupt, or compounds or arranges with his creditors, or is absent from five consecutive meetings, his office is vacated.

In some cases the creditors depute to the committee of inspection the task of appointing the trustee, and of fixing his remuneration. The trustee, when appointed, must consult the committee in respect of all important matters in connection with the administration of the estate of the bankrupt. By the Bankruptcy Act, 1883, the trustee can only do the following things with the permission of the committee of inspection :—

(1) Carry on the business of the bankrupt, so far as may be necessary for the beneficial winding-up of the same.

(2) Bring, institute, or defend any action or other legal proceeding relating to the property of the bankrupt.

(3) Employ a solicitor or other agent to take any proceedings, or do any business which may be sanctioned by the committee of inspection.

(4) Accept as the consideration for the sale of any property of the bankrupt a sum of money payable at a future time subject to such stipulations as to security and otherwise as the committee think fit.

(5) Mortgage or pledge any part of the property of the bankrupt for the purpose of raising money for the payment of his debts.

(6) Refer any dispute to arbitration, compromise all debts, claims and liabilities, whether present or future, certain or contingent, liquidated or unliquidated, subsisting or supposed to subsist between the bankrupt and any person who may have incurred any liability to the bankrupt, on the receipt of such sums, payable at such times, and generally on such terms as may be agreed on.

(7) Make such compromise or other arrangement as may be thought expedient with creditors, or persons claiming to be creditors, in respect of any debts provable under the bankruptcy.

(8) Make such compromise or other arrangement as may be thought expedient with respect to any claim arising out of or incidental to the property of the bankrupt, made or capable of being made on the trustee by any person or by the trustee on any person.

(9) Divide in its existing form amongst the creditors, according to its estimated value, any property which, from its peculiar nature or other special circumstances, cannot be readily or advantageously sold.

(10) Appoint the bankrupt himself to superintend the management of the property of the bankrupt or of any part thereof, or to carry on the trade (if any) of the bankrupt for the benefit of his creditors, and in any other respect to aid in administering the property in such manner and on such terms as the trustee may direct.

(11) Make such allowance as may be thought fit to the bankrupt out of his property for the support of the bankrupt and his family, or in consideration of his services if he is engaged in winding up his estate. Any such allowance may be reduced by the court. The allowance must, under Rule 296 of the Bankruptcy Rules, be in money, unless the creditors by special resolution determine otherwise, and the amount must be duly entered in the accounts of the trustee.

The permission given must not be a general permission to do all or any of the above-mentioned things, but only a

permission to do the particular thing or things for which permission is sought in the specified case or cases.

The books kept by the trustee must be regularly audited by the committee. As the members stand in a fiduciary capacity towards the general body of creditors, no profit must be made by any one of them out of the administration of the estate, either directly or indirectly.

If there is no committee of inspection the powers authorized by the Bankruptcy Act, 1883, may be exercised by the Board of Trade, who may in turn delegate them to the Official Receiver.

There is no committee of inspection in the case of small bankruptcies.

Company Winding-up.—When an order has been made for the winding-up of a company, and a liquidator has been appointed, a committee of inspection is appointed to control the actions of the liquidator almost in the same manner as a trustee in bankruptcy is controlled. The persons who are eligible for election are

(*a*) Creditors of the company;

(*b*) Contributories of the company;

(*c*) Persons holding general powers of attorney from creditors or contributories.

The proportion in which the above are to be elected is agreed on at meetings of the creditors and contributories. In case of difference the court must determine what the proportion should be.

The liquidator can only exercise the following powers with the sanction of the committee of inspection, or of the court:—

(1) Bring or defend legal proceedings in the name and on behalf of the company.

(2) Carry on the business of the company so far as may be necessary for the beneficial winding-up of the same.

(3) Pay any class of creditors in full.

(4) Make a compromise or arrangement with creditors or persons claiming to be creditors.

(5) Compromise calls.

(6) Compromise debts.

(7) Compromise questions in any way relating to or affecting the assets of the company.

(8) Employ a solicitor or agent.

The members of the committee are removable in the same manner as in bankruptcy, and are bound to exercise their powers with a proper appreciation of the fiduciary capacity in which they stand towards the company.

When there is no committee of inspection its functions devolve upon the Board of Trade.

COMMODITIES. (Fr. *Marchandises*, Ger. *Waren*, Sp. *Mercancías.*)

Moveable articles of commerce. Objects of any kind which can be bought or sold.

COMPANIES. (Fr. *Compagnies*, Ger. *Gesellschaften*, Sp. *Companías.*)

Associations of persons for carrying on trade or business.

COMPANIES, LIMITED LIABILITY. (Fr. *Sociétés en commandite*, Ger. *Kommanditgesellschaften auf Aktien*, Sp. *Sociedades Anónimas.*)

Associations of persons for carrying on trade or business, in which the liability of such persons is limited by guarantee or shares.

The present section deals generally with joint-stock companies, their formation, their conduct of business and their termination. Particular matters are dealt with under separate headings.

A joint-stock company has been defined as "an association of individuals for purposes of profit, possessing a common capital contributed by the members composing it, such capital being commonly divided into shares, of which each possesses one or more, and which are transferable by the owner."

It must be clearly understood that the individuality of the members is entirely lost in the personality of the company. Unlike a partnership, the creditors can only proceed against the property of the company in case of necessity, and ordinarily there is no remedy beyond the amount of the fixed capital of the company.

Kinds of Companies.—There are three kinds of companies which can be registered under the Companies Acts, 1862 to 1900.

(*a*) Unlimited companies. In companies of this class, every shareholder is liable for the debts of the company as in an ordinary partnership. But they possess these advantages—the liability of each member ceases at the end of a year from the time he ceased to be a member, and the shares are transferable. Such companies are now extremely rare, and for several years past none have been registered.

(*b*) Companies limited by guarantee. There are very few of this class in existence. The memorandum of such a company contains a declaration to the effect that each member of the association will contribute an amount, not

exceeding a fixed sum, to meet its liabilities so long as he remains a member, and for twelve months afterwards.

(c) Companies limited by shares. Here the liability of each member is limited to the nominal amount of the shares which he holds. If the capital is once fully paid up, there is no further pecuniary liability resting upon any one.

The third class is the most common and most important kind of company. In addition to what is contained in the present section, there are special rules applicable to certain companies, such as banking companies, insurance companies, and companies formed for the purposes of charity, etc.

Number of Persons required.—The smallest number of persons that can combine to form a joint-stock company is seven. Though there is no maximum, except that the number of shareholders cannot exceed the number of the shares, there must never be less than seven, for it is provided by the Act of 1862 that where the business of a company is carried on for six months after the number of its members has been reduced below seven, every member cognisant of the fact is personally liable for payment of the whole of the debts of the company contracted after such period. There is no reason, so far as is known, why the number has been fixed at seven.

In connection with this part of the subject, the existence of what are called "one man" companies should be noticed. The name is generally applied to associations in which almost the whole of the shares are held by one person, the remainder being allotted to six other persons who are required to make up the necessary number of members. This is very frequently the case where a successful business is converted into a "private" company, that is, one in which the shares are not offered to the public for subscription, but are carefully reserved to the relatives and friends of the former partners in the business. Thus the advantages of incorporation are gained, of which the principal is limited liability. There are also other advantages, of which the chief are the continuance of the business after the death of any of the parties interested, the power, at any time, of transferring the shares so as to introduce fresh members, and the increased facility of borrowing money.

The Promoter.—"The term promoter," said the late Lord Justice Bowen, "is a term not of law, but of business, usefully summing up in a single word a number of business operations familiar to the commercial world by which a company is generally brought into existence." Whether a man is or is not a promoter will depend upon his acts.

As a promoter stands in a fiduciary relationship towards the company which he is promoting, he must not use his position for the purpose of making any secret profit at the expense of the company. His position is very similar to that of an agent.

The promoter is personally liable for any acts done before the company is registered, since it is impossible for a person to contract on behalf of a non-existent person, and a company cannot subsequently ratify what has been done.

Memorandum of Association.—When the necessary number of persons has been obtained the memorandum of association is prepared. In it the following matters must be clearly set forth:—

(1) The name of the company. Any name may be chosen, provided it does not so closely resemble that of an existing company as to be likely to deceive. The last word of the name must be "limited"—unless the company is an unlimited one—though the Board of Trade may, if they think proper, dispense with this addition if the company is not one formed for the purposes of pecuniary gain and profit. The prefix "Royal" may not be used without the licence of the Home Secretary. By special resolution, and with the sanction of the Board of Trade, the name of the company may be changed.

(2) The place where the registered office of the company is to be situated.

(3) The objects of the company. The greatest care is required in setting these forth with accuracy. A company only exists for the purposes which are stated in its memorandum, and any act done outside these powers is *ultra vires*, and therefore null and void. As a natural consequence a memorandum will often specify trades and businesses which have apparently only the remotest connection with the main business of the company. It is then possible for the company to extend its operations at any time without applying to the court for leave to do so. Until 1890

no company could extend its business without first being wound up and reconstructed. Now, by special resolution and by the leave of the court, a change can generally be effected, if it is shown that the alteration is for the benefit of the company, and that the interests of all the existing members and creditors are properly safeguarded. A carefully-drawn memorandum will avoid the necessity for this procedure and its accompanying expense.

(4) A declaration to the effect that the liability of the members is limited.

(5) The amount of the nominal capital of the company, the number of shares into which the capital is divided, and the amount of each share.

At the end of the document there is a declaration of association in words very much like the following: "We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set opposite our respective names."

The names, addresses and descriptions of the seven subscribing persons are annexed, each of them subscribing for one share at least.

It is necessary that each subscriber should make the entry with his own hand, and the entry must be attested. It is the common practice for each to write that he takes one share. Any person may be a subscriber; for example, a bankrupt or an infant.

Articles of Association.—In addition to the memorandum there are usually Articles of Association. These are signed by the subscribers to the memorandum, and consist of regulations for the management of the internal affairs of the company. They are, in fact, a species of bye laws. They are binding upon the company and upon each member of the same as if each had signed and sealed them. The articles may be altered from time to time in any respect by special resolution of the members of the company.

If a company is registered without Articles of Association, the regulations in Table A in the first schedule of the Companies Act, 1862, apply. Table A is in reality a specimen set of articles—97 in number—sanctioned and recommended by the legislature.

Registration.—When the Memorandum of Association has been signed it must be stamped. In addition to the ordinary deed stamp of 10*s.*—which is required both by the Memorandum and the Articles—registration stamps are necessary according to the following scale:—

	£	*s.*	*d.*
Where the nominal capital does not exceed £2,000 . . .	2	0	0
Where the nominal capital exceeds £2,000, the above fee of £2, with the following additional fees, regulated according to the amount of the nominal capital (that is to say):—			
For every £1,000 of nominal capital, or part of £1,000, after the first £2,000, up to £5,000	1	0	0
For every £1,000 of nominal capital, or part of £1,000, after the first £5,000, up to £100,000	0	5	0
For every £1,000 of nominal capital, or part of £1,000, after the first £100,000 .	0	1	0
For registering any document required or authorized to be registered, other than the Memorandum of Association	0	5	0
For making a record of any fact authorized or required to be recorded . . .	0	5	0

The memorandum must then be left at the office of the Registrar of Joint-Stock Companies. It must be accompanied by a list of persons who have consented to become directors of the proposed company, and a statutory declaration that the requirements of the Companies Acts as to registration and all matters precedent and incidental thereto have been complied with. Thereupon a certificate of incorporation is issued by the Registrar of Companies. This certificate is conclusive evidence that everything is in order. The members then become a corporation, and the incorporation takes effect from the date of the certificate. If it is a private company it is at liberty to commence business at once, but a public company cannot as yet proceed further than the issue of a prospectus inviting the public to apply for its shares.

The Prospectus.—The term prospectus is applied to the document put forward by the persons interested in the company, to induce other persons to take shares, or otherwise assist the company with money. By the 30th section of the Act of 1900, it includes "any notice, circular, advertisement, or other in-

vitation offering to the public for subscription or purchase any shares or debentures of a company registered under the Companies Acts."

It is generally issued immediately after the registration of the company. It must be dated, and the date named will be deemed the date of its publication. A copy must be signed by every person named in it as a director or proposed director (or his authorized agent), and filed with the Registrar at or before the date of publication.

The preparation of the prospectus has always been a most difficult task. Its object is to induce the public to come in and take shares, and for that purpose the prospects of the company have always been painted in the rosiest fashion. This has led to the grossest frauds. The Directors' Liability Act of 1890 only partially remedied the evil. The Act of 1900, however, has set out thirteen points which must be observed in the preparation of the document. Nothing can now be omitted which would affect the mind of a reasonable person who was a party to a private transaction. All the financial arrangements must be stated, the names and addresses of the directors, and particulars of every material contract which has been entered into. This last provision is a great improvement upon and replaces the useless 38th section of the Act of 1867.

If a prospectus is issued containing fraudulent misrepresentations, a person who has been induced to take shares in the company through such false misrepresentation will be entitled to have his name removed from the list of shareholders, or he may sue the persons responsible for the issue of the prospectus for damages sustained through such misrepresentation.

Underwriting.—This is a contract entered into by a person to take up shares offered to the public if the latter do not apply for them within a certain time. The object of underwriting is to insure the successful floating of the company. The contract is generally made with the promoter of the company, the consideration being a payment in cash or otherwise, but there cannot be a payment in shares. In 1886 it was held illegal for a company to pay an underwriter, but now, by the Act of 1900, this can be done, provided full particulars are given in the prospectus, and the payment is authorized by the Articles of Association.

Directors.—As the shareholders of a company often amount to a large number of persons, it would be impossible for each one to be consulted with respect to every transaction of the company. The management must be in the hands of a few, selected by the shareholders, who are called the directors of the company. The number, powers, and method of election of the directors are provided for by the Articles of Association. If no directors are named therein, the subscribers of the Memorandum of Association are the directors until others are appointed.

By the Act of 1900 it is forbidden for any one to be appointed as a director unless, before the registration of the articles or the publication of the prospectus, he has

(*a*) Filed with the Registrar a signed consent to act as a director, and

(*b*) Either signed the Memorandum of Association for, or filed with the Registrar a signed contract to take from the company, and pay for, the shares which are necessary to qualify him for the position of a director.

If a director does not acquire his qualification within two months after his appointment, or subsequently ceases to hold his qualification, he must resign his position. If he continues to act as director, he is liable to a fine of £5 a day from the date of his ceasing to hold his qualification.

The duties and the authority of the directors are limited by the memorandum and the articles. An act done in excess of their powers is *ultra vires*, and the act itself cannot be ratified if it is also *ultra vires* the company. As the directors are in the position of trustees and agents for the company, they must not make use of their powers to obtain advantages for themselves. They must make no secret profits. Neither must they delegate their powers, unless they are authorized to do so by the Articles of Association.

Allotment of Shares.—Hitherto in the allotment of shares nothing has been required beyond the elements which go to the formation of a simple contract—application, allotment, and communication to the applicant within a reasonable time. The result has been that many companies have gone to allotment when the applications for shares have been such as altogether to exclude the possibility of the company being able to conduct any business at all.

It is with respect to the allotment

of shares that the Act of 1900 has conferred so great a benefit upon the public. Five sections, viz. 4 to 8, are devoted to the subject. The first of these is the most important. No allotment can now be made of any share capital of a company offered to the public for subscription by a prospectus unless

(*a*) A minimum subscription fixed by the memorandum or articles and named in the prospectus as that upon which the directors may proceed to allotment has been subscribed, and the sum payable on application has been paid to and received by the company, or

(*b*) The whole amount of the share capital has been subscribed and the application money paid.

Register of Members.—Every company is bound to keep a register or list of its members for the time being, and of the shares which they respectively hold. The register must be open to inspection during business hours, gratis to shareholders, and on payment of a sum not exceeding one shilling to other people. The register may be closed for any period not exceeding thirty days in each year. Also every company which has its capital divided into shares must annually forward a list of its members to the Registrar of Companies. No notice of any trust is to be entered upon the register.

In cases of improper entry or omission of names from the register, the injured party may apply to the court for a rectification of the same, by striking out or placing therein the name of the member who has complained of the improper entry or omission.

Capital.—This is the sum subscribed by the shareholders for the purpose of being applied to the establishment or extension of the company's business. The proposed sum named in the Memorandum of Association of the company is the "nominal" capital. When the whole of the capital is not taken up, that which is represented by the number of shares held by the member is its "subscribed" or "issued" capital. That portion of the issued capital which is actually paid by the members of the company is the "paid-up" capital, the remaining portion, for which the shareholders are liable, being known as the "unpaid," or "uncalled" capital,

A company may increase or reduce the amount of its nominal capital, but no reduction can take place without the sanction of the court.

Common Seal.—Every company must possess a common seal, and the name of the company must be engraved upon it in legible characters. It must be used for the authentication of all important documents.

Also it must be borne in mind that the name of every limited company must be legibly printed or affixed to the outside of every office or place of business where the company conducts its business, and that the name must be mentioned in all notices, advertisements, official publications, bills of exchange, orders for goods, receipts, etc., connected with its undertakings. Non-compliance with these provisions renders the company liable to varying penalties.

Share Certificates.—A person who applies for shares in a limited company becomes liable to pay for the same as soon as the allotment has been communicated to him. But it is usual for him to have some receipt or certificate, called a share certificate, which authenticates the fact that the person named therein is the registered holder of so many shares in the company of a certain number. The certificate is generally impressed with the seal of the company. When a purchase of shares has been made upon the faith of a duly issued certificate the company will be estopped from denying that the person named in the certificate is entitled to the shares. Claims may also arise against the company in the case of forged transfers.

Transfer of Shares.—Unless there is a special restriction or limitation by the Articles of Association, the holder of shares in a company, whether the same were originally allotted to him or whether he has acquired them from a previous holder, is entitled to transfer them to whomsoever he pleases. The transfer is effected either by deed or by an instrument in writing, signed by the transferor and transferee. The transfer, sometimes accompanied with the certificate, is sent to the company for registration, and the name of the transferee is entered in the books of the company as the holder of the shares. The transferee then becomes a member of the company. On the death of a shareholder the right in his shares passes to his personal representative—executor or administrator—and in bankruptcy the trustee steps into the place of the bankrupt. The personal representative, or the trustee, may be registered as a member, or may

transfer the shares which have fallen to him to another person without being registered.

Share certificates are sometimes deposited as a security for a loan, together with a blank transfer, that is, a transfer executed by the borrower only, the name of the transferee not being stated. This gives to the lender an implied authority to fill in the name of the purchaser of the shares if the borrower fails to repay the money. But this mode of transfer is only effectual where the articles of the company permit of the transfer of shares by an instrument in writing simply. If the transfer must, under the articles, be by deed, a blank transfer will be of no value, since the instrument itself is not a deed, being faulty in the fact that one of the essentials of a deed, viz., the name of the transferee, is not inserted at the time of its execution.

Since shares are not "goods, wares or merchandise," a contract for their sale does not fall within section 17 of the Statute of Frauds—now repealed and re-enacted by section 4 of the Sale of Goods Act, 1893. Therefore the contract need not be evidenced by writing. If the contract is not to be performed within a year the case is different. By an Act known as Leeman's Act, passed in 1867, a sale of shares in a joint-stock banking company is void, unless the contract sets out in writing the numbers of the shares as stated in the register of the company. It has been the custom of the London Stock Exchange to disregard the provisions of this Act, but such a custom cannot be upheld.

Liability of Shareholders.—While the shareholder has the same right to participate in the profits of a business that is enjoyed by a partner, unless there is some agreement to the contrary, proportionately to the amount of capital he has invested, and to take such part in the affairs of the company as is allowed by the Articles of Association, his liability is limited to the amount unpaid on the shares held by him. If he has paid up the whole nominal amount of his shares, he is absolutely free from any further liability. If he has only paid a certain proportion of the nominal value, he is responsible for the portion which remains unpaid. Should the remaining portion, or any part of it, be required, a demand is made upon the shareholder by means of a "call."

Sometimes a person who has paid but a fractional part of his shares will be able to escape liability altogether for the remaining part by transferring his shares to a third party more than a year before the call is made. And the liability within the year, under such circumstances, only arises if the transferee is unable to satisfy the call when it is made, and the other existing shareholders fail to discharge in full the liabilities of the company.

But there is this qualification. It is a very common thing, when a company takes over a going concern, for the vendor to receive a number of paid-up shares as part of the consideration for the sale of the business. Although, therefore, nothing has been paid in cash for such shares, the holder is not liable thereon if the contract to take shares in part payment has been filed with the Registrar of Companies. Any such contract must now be clearly set forth in the prospectus.

Stock and Share Warrants.—When the capital of a company has been fully paid up, its shares are frequently converted into stock. The main difference between shares and stock is this—shares must be transferred whole; stock can be split up into fractional amounts.

A share warrant is an instrument authenticated by the seal of the company, which entitles the holder to the shares or stock mentioned, and admits of transfer by mere delivery.

Preference Shares.—The Memorandum of Association sometimes provides that certain holders of the shares of the company shall be entitled to a portion of the profits of the business before any payment is made to the holders of other shares. Shares to which a priority of enjoyment of profits is given are called "preference shares," to distinguish them from those which are called "ordinary shares." Various classes of preference shares are created, their rank being settled according to circumstances and the time of their creation. Railway companies—though these are companies formed under special Acts, and not under the Companies Acts, 1862 to 1900—offer good examples of the creation of numerous classes of preference shares. The priority may have reference to the profits of each year separately, or the preference may be "cumulative," that is, a deficiency which occurs in any one year must be made up in any succeeding year before any payment whatever is made to any

ordinary shareholder.

Commencement of Business.—Another important change has been made by the Act of 1900 as to the time when a joint-stock limited company may commence its business. Prior to 1901, the possession of the certificate of the Registrar was sufficient to authorize a beginning, but now a public company may not exercise any of the ordinary powers of trading unless

(*a*) The minimum subscription of shares payable entirely in cash has been allotted

(*b*) Each director has paid all moneys which are due upon the shares which he holds proportionate to the amount paid on other shares; and

(*c*) The secretary or one of the directors has made a statutory declaration to the effect that the aforesaid conditions have been complied with, and has filed the same with the Registrar. As soon as the statutory declaration has been filed the Registrar gives a certificate which is conclusive evidence that the company is entitled to commence business.

If a company commences business in breach of the foregoing provisions, every person responsible for the breach is liable to a fine of £50 a day for the period during which the business has been irregularly carried on.

Meetings.—The management of the affairs of a company is in the hands of the directors. But since the directors are nominated by the shareholders, and it is necessary that the shareholders should have a knowledge of the general state of affairs, meetings must be held. In the ordinary way there is a meeting held once a year. There are, however, statutory provisions as to the first meeting. Previous to the Act of 1900, the first statutory meeting was to be held within four calendar months of the registration of the company. This meeting was often a sham. Now, however, every company which invites the public to subscribe for shares must hold its first meeting "within a period of not less than one month nor more than three months from the date at which the company is entitled to commence business." The matters which are to be submitted to the meeting are set forth in section 12 of the Act. At any time an extraordinary general meeting of the company may be convened on the requisition of the holders of not less than one-tenth of the issued capital of the company, upon which all calls or other sums then due have been paid.

At general meetings of the company it is usual to decide questions raised by a majority of the members, whether present in person or by proxy. In certain cases, however, in contradistinction to the "ordinary" resolution, that is, a resolution decided by a bare majority, a "special," or an "extraordinary" resolution is required. A "special" resolution is one in which there is a majority of three-fourths of the members, and which is subsequently confirmed by a mere majority. An "extraordinary" resolution is one passed by a three-fourths majority, and which requires no confirmation.

The proceedings of a company at its meetings must be duly recorded in a book kept for the purpose. These are the "minutes." If signed by the chairman of the meeting, they are receivable as evidence in legal proceedings.

Debentures.—The most common way in which a company borrows money for extending its business or for other purposes, apart from increasing its capital, is by the issue of debentures. The debentures usually take the form of a bond or written promise by the company, under its common seal, to repay the amount lent with interest, subject to certain conditions. There are many kinds of debentures, but they are roughly divisible into two classes: (*a*) mortgage debentures, which form a charge upon all or some part of the assets of the company; (*b*) debentures which do not form a charge, but merely amount to a promise to pay a sum of money. The former class is the more common. The property charged as a security for the debenture holders is generally conveyed by way of mortgage to trustees by way of trust. The deed by which this is done is called a "covering deed."

Without some stipulation to the contrary, a mortgage of this kind would prevent the company from dealing with the property comprised in the deed in the ordinary way of business. To prevent this the common form of debenture gives the lender what is called a "floating charge" over the property of the company. As a result, the company, so long as it is a going concern, can deal with its property without any regard to the charge. But if any embarrassments arise, such as an inability to pay the money lent or the interest, or if proceedings are taken for

winding-up the company, the charge immediately crystallizes, and the property comprised in the deed can no longer be dealt with.

The company must keep a register containing particulars of all charges and mortgages affecting its property, and must file such charges and mortgages with the Registrar of Companies. The register is a public one. Any person can inspect it on payment of one shilling. An omission to register the charge within twenty-one days of the making of it renders it void as regards the property comprised in the charge. The omission does not, however, invalidate the covenant to pay the debt.

Dividends.—Dividends can only be paid out of the profits made by the company. Neither the Articles of Association nor the Memorandum of Association can authorize the diversion of any part of the capital of the company for that purpose.

Winding-up.—The existence of a company is terminated by a process called winding-up. The term is generally applied to those proceedings which correspond to the bankruptcy of an individual, but it is not exclusively so. If for any reason the company considers that its business ought to come to an end, even though it is perfectly solvent, or if there is a desire to amalgamate with another company or to re-construct the company itself, the name winding-up is applied to the means by which the desired end is to be attained.

There are three kinds of winding-up:—

(1) By the court, which is compulsory.

(2) By the act of the company, which is voluntary.

(3) By the act of the company under the supervision of the court, which is partly voluntary and partly compulsory.

I. *Compulsory Winding-up.*—If the paid up capital of the company does not exceed £10,000, proceedings may be taken in the county court of the district in which the registered office of the company is situated, unless the Lord Chancellor has excluded it from exercising jurisdiction. This does not include the Metropolitan County Courts, which have no winding-up jurisdiction.

If the paid-up capital exceeds £10,000, proceedings must be taken in the High Court, unless the registered office is situated within the jurisdiction of the Chancery Courts of the Counties Palatine of Lancaster and Durham.

A company may be wound-up by the court,

(1) Whenever it passes a special resolution to that effect.

(2) Whenever it does not commence its business within a year from incorporation, or suspends its business at any time for the space of a year.

(3) Whenever the number of its members is reduced to less than seven.

(4) Whenever it is unable to pay its debts.

(5) Whenever the court is of opinion that it is just and equitable that it should be wound-up.

What is a "just and equitable" cause depends upon the facts of each particular case. It need not necessarily be one of the same kind as the four preceding. It is quite sufficient if the principal object and substratum of the company have gone.

The most common ground for instituting proceedings to wind-up a company is its inability to pay its debts. Any creditor whose debt amounts to £50 or more may serve a demand upon the company requiring payment of the same. If the company neglects for three weeks to pay, secure, or compound for the same, it is deemed to be unable to pay its debts. The presumption will exist also if execution is issued against the company, and the execution is returned unsatisfied.

The proceedings for winding-up are commenced by a petition, and, if an order is obtained, the business of the company is put an end to except for the purposes of the winding-up. The management of its affairs passes into the hands of the liquidator, an officer appointed by the court. Until he is appointed the Official Receiver in bankruptcy is, by virtue of his office, the provisional liquidator. To assist the liquidator in his work, and in certain cases to control him, a "committee of inspection" is often appointed.

The duty of the liquidator is to report upon the whole affairs of the company, to collect the debts due to it, to dispose of its property, and generally to do all such things as are necessary to end its existence in a fair and equitable manner. If the shares of the company are not fully paid up, and the assets are insufficient to meet all liabilities, the liquidator must call upon each shareholder to contribute rateably whatever is necessary, limited, of course, to the amount unpaid upon each of the shares which he holds. It has already been

stated that a person who has ceased to be a shareholder within a year of the winding-up may sometimes be called upon to contribute towards the liabilities of the company. Such a shareholder is placed upon what is known as the "B" list of contributories; the other list, called the "A" list, being composed of the names of those who are members of the company at the time of the commencement of the winding-up.

When the liquidator has collected the whole of the available funds, and has paid the costs incidental to the whole proceedings connected with the winding-up, he must proceed to distribute the residue, if any, in the following manner.

First, the rates and taxes due and payable within the twelve months prior to the commencement of the winding-up must be paid. Next, the wages and salaries of clerks and workmen employed by the company, limited, in the case of a clerk, to services rendered during the preceding four months and not exceeding £50, and in the case of a workman to two months and £25, are preferred to all other claims. After these preferential payments have been made, the ordinary creditors of the company are next in order, and their debts are paid proportionately to their claims if the assets are insufficient to meet the whole. Debenture holders and mortgagees occupy a more favourable position. They are secured creditors, that is, they have a certain portion of the property of the company set aside for the purpose of meeting their debts, and with this property the ordinary creditors and the liquidator cannot interfere. They can realize their security without considering the liquidator. If the property secured is insufficient to meet their demands, they can realize their security and then prove as ordinary creditors for the balance of their debts. If, on the contrary, it realizes more than the amount of the debts, with interest and costs, the balance must be handed over to the liquidator. By an Act passed in 1897 the payments of rates, taxes, and wages now have precedence over debentures.

When all the affairs of the company have been arranged, and the liquidator has made his report to the Board of Trade and been released, an order is made by which the company is dissolved.

II. *Voluntary Winding-up.*—The proceedings in a voluntary winding-up are similar to those in a compulsory one, except that the liquidator is appointed by the company, and the court does not, of its own motion, interfere with any of the acts that are done. A voluntary winding-up may generally be resolved upon by a company for some other cause than inability to pay its debts.

III. *Winding-up under Supervision.*—When a voluntary winding-up has commenced, the court may, on just cause shown, intervene and control to a certain extent the acts of the liquidator. But unless a strong case is made out it will generally decline to interfere; and if it does so it will only place certain restrictions upon the voluntary liquidator, leaving the general proceedings, as far as possible, the same as in a voluntary liquidation.

In the second and third cases the liquidator is required to make a return of the final meeting of the company to the Registrar of Companies, and the company will be dissolved three months after the date of such return.

COMPOSITION. (Fr. *Transaction*, Ger. *Accord, Vergleich*, Sp. *Transacción, arreglo.*)

A payment of so much in the £ by a bankrupt or an insolvent, instead of the full amount owing.

COMPOUND INTEREST. (Fr. *Intérêt Composé*, Ger. *Zinseszinsen*, Sp. *Interés compuesto.*)

When money is borrowed at compound interest, it means that the interest as it becomes due is not paid to the lender, but that it is added to, and becomes part of, the principal. It is called "compound" because each of the successive additions bear interest upon interest.

COMPOUNDING WITH CREDITORS. (Fr. *S'atermoyer avec ses créanciers*, Ger. *sich mit seinen Gläubigern abfinden*, Sp. *Arreglo con sus acreedores.*)

The agreement of creditors to accept a composition of so much in the £ from a bankrupt or insolvent person, and to release the debtor from the balance of the full amount owing.

COMPROMISE. (Fr. *Compromis*, Ger. *Vergleich*, Sp. *Compromiso.*)

The adjustment of differences by mutual concessions.

COMPULSORY WINDING-UP. (See *Companies.*)

COMPUTE A BILL. (Fr. *Calculer*, Ger. *berechnen*, Sp. *Computar una letra.*)

Calculating the date upon which a bill will become due.

CONCESSIONS. (Fr. *Concessions*, Ger. *Konzessionen*, Sp. *Concesiones.*)

Grants of certain privileges by foreign

states or governments to promoters of railways, mining companies, etc. The parties obtaining such concessions are called "concessionaires."

CONDITIONS OF SALE. (Fr. *Conditions de vente*, Ger. *Verkaufsbedingungen*, Sp. *Terminos de Venta.*)

The terms upon which goods and land are sold at public auctions. It is the general practice for the conditions to be printed on the catalogue advertising the sale.

CONFIRMATION NOTE. (Fr. *Note de confirmation*, Ger. *Empfangsbestätigung*, Sp. *Nota de confirmación.*)

A slip, either attached to or sent with an order or contract, so that the receiver may sign the slip as an acknowledgment that he has received and confirms the contract.

CONFLICT OF LAWS. (Fr. *Conflit de lois, Droit international*, Ger. *der Völkerrecht*, Sp. *Conflicto de Leyes, Derecho Internacional.*)

This is the name applied, mostly by American writers, to what is often known as Private International Law. It is concerned with the rights and obligations of private individuals when they are affected by the law of different countries which have independent jurisdictions. Since the laws of England, Scotland, India, the Cape, and Canada are dissimilar in many respects, questions arising between persons domiciled in different parts of the British Empire have to be decided in exactly the same manner as those arising between an Englishman and a foreigner.

By international comity any valid judgment obtained in one state is enforceable by proper legal process in another. Thus, a Frenchman who obtains a judgment against an Englishman in France will be able to gain satisfaction in England if the defendant is resident here. Similarly a proper English judgment will be enforced in France. Some countries place more or less restrictions upon this rule, and it is only possible to indicate the practice of the English courts in the matter.

The first thing to ascertain is whether the court can exercise jurisdiction. In some cases it is expressly precluded from doing so. No proceedings, for instance, can be instituted against a foreign sovereign, an ambassador, a diplomatic agent, or any person attached to the suite of the ambassador or diplomatic agent, unless the privilege attached to their position is waived; and no action will be entertained if it has reference to the determination of the title to, or the right to the possession of, land situated out of England, or to trespass upon such land. There is, likewise, no jurisdiction to entertain an action for the enforcement of the penal law of a foreign country. Subject to these exceptions, the court will assume jurisdiction as to any property, moveable or immoveable, situated in England, and also as to the following:—

(1) Actions *in personam.*

(2) Admiralty actions *in rem.*

(3) Divorce jurisdiction, and jurisdiction in relation to the validity of marriages and to legitimacy.

(4) Bankruptcy.

(5) Administration and succession.

An action *in personam*, that is, one against a person with the view to compel him to do a particular thing, such as the payment of damages for a breach of contract or a tort, may be commenced against a defendant by the service of a writ, if he is in England, in whatever country the cause of action has arisen. It has been said that the courts of England "are more open to admit actions founded upon foreign transactions than those of any other European country." If the writ is served the action may go on. But if the defendant is out of England, the court will assume no jurisdiction at all, unless the case falls under one of the following exceptions:—

(1) Whenever the whole subject matter of the action is land situated in England.

(2) Whenever any act, deed, contract, obligation, or liability affecting land or hereditaments situated in England is sought to be construed, rectified, set aside, or enforced in the action.

(3) Whenever any relief is sought against any person domiciled or ordinarily resident in England.

(4) Whenever the action is for the execution (as to property situated in England) of the trusts of any written instrument of which the person to be served with a writ is a trustee, which ought to be executed according to the law of England.

(5) Whenever the action is founded on any breach, or alleged breach, in England, of any contract, wherever made, which, according to its terms, ought to be performed in England, unless the defendant is domiciled or ordinarily resident in Scotland or Ireland.

(6) Whenever any injunction is sought as to anything to be done in England, or any nuisance in England is sought to be prevented or removed.

(7) Whenever the defendant who is out of England is a necessary or proper party to an action brought against some other person who has been duly served with a writ in England.

(8) Whenever an action is brought against two or more persons who are liable as co-partners, and who carry on business in England. The action must be one brought against the firm of which the persons were co-partners at the time of the accruing of the cause of action.

The leave of the court must always be obtained before any writ can be issued against a defendant resident abroad, and when the defendant is neither a British subject nor within the British dominions, notice of the writ, and not the writ itself, must be served upon him. To a certain extent the exercise of its power by the court is discretionary, and any irregularity in the proceedings will render the whole procedure void. It will be seen that no action for a tort can be commenced unless the defendant is within the jurisdiction of the court at the time of the service of the writ.

An admiralty action *in rem* is one that is brought in the Admiralty Division of the High Court against a ship or other *res*, such as cargo or freight, connected with a ship. Its object is to satisfy the claim of a plaintiff against the ship or *res* by transfer, sale, or other mode of dealing. The foundation of the action is the arrest of the ship when it is within English waters, that is, within three miles of the coast of England.

The jurisdiction in matrimonial matters is grounded on domicile, though an exception is made in favour of the residence of one of the parties if the suit is for judicial separation. The same is true of administration and succession. But the English courts will exercise no jurisdiction in cases of this kind, any more than in ordinary actions, if immoveable property situated in any country outside England is affected. It can go no further than decide the title to moveable property in particular cases.

If the English courts assume jurisdiction, the rights and liabilities of the parties are subject to certain rules and constructions. All rights in relation to land are, in the main, governed by the law of the country where the land is situated. But the interpretation of a contract with regard to land, and the rights and obligations under it of the parties thereto, may by the agreement of the parties be determined by some other law than that of the country where the land is situated. Again, the will of a British subject may deal with land in the United Kingdom, when it is not made in accordance with English law, the special privilege of making a will in the form of the law in force in the place of residence or domicile being granted to British subjects by an Act of 1861.

With respect to moveables, an assignment is valid if the assignor has capacity to assign by his domicile, and the assignment is made in accordance with the law of the place where the moveables are situated.

The greatest care is required in the wording of contracts between parties domiciled in different countries, especially when the contract itself may happen to be performed in a third country. The rules to be observed by the courts may be stated shortly as follows :—

(1) No contract is valid in England, though valid in any foreign country, if its enforcement is contrary to an Act of Parliament or opposed to any English law of procedure.

(2) Capacity to contract is governed by the law of the domicile, except in the case of an ordinary mercantile contract, when the law applicable is that of the country where the contract is made, and in a contract concerning land, when the law of the place where the land is situated prevails.

(3) The form to be observed is that of the country where the contract is made.

(4) In the absence of the expressed intention of the parties as to the particular law which shall govern the construction of the contract, the following legal presumptions are applied :—

(*a*) The law of construction is that of the country where the contract is made, especially when the contract is to be performed wholly in the country where it is made.

(*b*) The law of construction is that of the country where it is to be performed, when the contract is made in one country, and is to be performed wholly or in part in another country.

(5) The validity of the discharge

of the contract is to be governed by the law of the country which is held to be the proper law for the construction of the same.

Certain particular contracts are to be construed in accordance with well established rules. The contract of affreightment is governed by the law of the flag, that is, the law of the country to which the ship belongs. That of average adjustment by the law of the place at which the common voyage terminates, that is

(*a*) When the voyage is completed in due course, by the law of the port of destination.

(*b*) When the voyage is not so completed, by the law of the place where the voyage is broken and the cargo is taken from the ship.

An underwriter is bound by the average adjustment properly taken according to the law of the place of adjustment; but an English insurer of goods on a foreign vessel is not affected by the law of the flag. There are also special rules as to foreign bills of exchange (*q.v.*). A foreign instrument is not a negotiable instrument in England unless it is negotiable both by the law of the country where it is issued, and also by the law of England. Lastly, the contract of agency is governed, in general, by the law of the country where the relationship of principal and agent is established.

CONGO FREE STATE. This state is the creation of the Congress of Berlin, 1885. It is situated in the basin of the Congo, and is absolutely free to trade. The sovereign rights are vested in the King of the Belgians, and he has bequeathed them to Belgium. The territory exceeds 900,000 square miles in area, and is controlled by an administrative board sitting at Brussels. The capital is Boma, where the Governor-General resides. The natives, so far as they are civilized, are skilful workers in ornamental cloths, iron, wood, and copper. The European population, mostly Belgians, does not exceed 2,000. The inland rivers form the chief means of communication, but the cataracts near the mouth of the Congo are a great hindrance to commerce. A railway has recently been made to avoid them. The chief exports are ivory, rubber, palm-oil, palm-nuts, and gums.

The Congo Free State has a Consul-General in London, and there are British consular representatives at Boma and Kinchassa.

Mails are despatched twice a month via Antwerp or Lisbon. The time of transit is twenty-six days.

CONSIDERATION. (See *Contract, Bill of Exchange.*)

CONSIDERATION-MONEY. (Fr. *Prix*, Ger. *Prämie, Entschädigung*, Sp. *Premio.*)

On the Stock Exchange, consideration-money is the amount named in a transfer of registered stock as being paid by the buyer to the seller; but the amount often differs from that actually received by the seller owing to a subsequent sale made by the buyer, the Stamp Act requiring in such cases that the consideration-money paid by the sub-purchaser shall be the one inserted in the deed, as regulating the ad valorem duty.

CONSIGN. (Fr. *Consigner*, Ger. *Konsignieren*, Sp. *Consignar.*)

To forward goods from one place to another.

CONSIGNEE. (Fr. *Consignataire*, Ger. *Konsignatair*, Sp. *Consignatario.*)

The person to whom goods are consigned or entrusted; the receiver.

CONSIGNMENT. (Fr. *Consignation*, Ger. *Konsignation*, Sp. *Consignación.*)

The sending or delivering of goods by one person to another, generally in another town or country, for a specific purpose. The sender is called the consignor, and the person receiving the goods is called the consignee, agent, or factor, who occupies a position of trust as far as his dealings with the goods are concerned.

The goods themselves are very frequently referred to as a consignment.

CONSIGNMENT NOTES. (Fr. *Notes de consignation*, Ger. *Konsignationsscheine*, Sp. *Notas de consignación.*)

Forms that are to be filled up when goods are sent by rail.

CONSIGNOR. (Fr. *Consignateur*, Ger. *Konsignator*, Sp. *Consignador.*)

A person who consigns or sends goods to another.

CONSOLIDATED ANNUITIES. (Fr. *Rentes consolidées*, Ger. *konsolidierte Annuität*, Sp. *Rentas consolidadas.*)

A term applied to the consolidation or amalgamation of various annuities into one common debt. These are called "consols" on the Stock Exchange.

CONSOLS. (Fr. *Consolidés*, Ger. *Konsols*, Sp. *Consolidados.*)

The term consols is a contraction of "consolidated funds" and "consolidated stock." In the early part of the eighteenth century the Government borrowed large sums of money

at different times, and gave as security for the repayment of the same the proceeds of the customs, excise, stamps, and other sources of revenue. A certain portion of revenue was allocated to each part of the debt, and the rate of interest paid varied considerably. In 1787 all the various funds of the Government which were income were consolidated, and the various classes of the public debt were treated in the same manner, the rate of interest being also made uniform. The consolidated funds are now pledged as a whole for the payment of the interest on he consolidated stock.

CONSUL. (Fr. *Consul*, Ger. *Konsul*, Sp. *Consul.*)

A public officer appointed by a Government to reside in some foreign country, in order to facilitate and protect the commercial relations between his own country and that to which he has been sent.

A consul is not, generally, clothed with any diplomatic character, nor is he concerned with public affairs at all. He is appointed by the sovereign of the country for which he acts, and his right to act in the country to which he is appointed is authorized by a document called an "exequatur," granted by the Foreign Office. A consul may be a native of the country which uses his services, or of the country in which he fulfils his duties, or of any third country, if he is domiciled in the country where he acts. Often he is a person engaged in trade, but some countries forbid their regular consular representatives to engage in mercantile transactions on their own account.

There are various grades of the consular service, and consuls themselves may be divided into consuls-general, consuls, vice-consuls, and consular agents. The rate of remuneration paid will depend upon many circumstances, and in some cases the position is honorary. But whether he is a salaried official or not, a consul is entitled to charge fees in respect of many of the duties of his office, which fees are known as consulage.

For the efficient performance of the work devolving upon him a consul should be able to speak the language of the country to which he is accredited with fluency, and should have a fair knowledge of its laws and customs, especially those which affect the interests of merchants and travellers. In general, it is the duty of a consul to watch over the commercial interests of the state whose servant he is, to see that the conditions of commercial treaties are properly observed, to give his best advice and assistance to the traders and other subjects of the country which he represents, to prevent their infringement of the laws, to reconcile their differences, to uphold their interests, and to render the condition of the subjects of the country employing him, within the limits of his consulship, as comfortable, and their transactions as profitable and secure as possible. In addition, some countries require their consuls to furnish yearly returns of the trade carried on at the various ports of their consulates, and information concerning the local trade and the state of the markets. Such information is valuable, as indicating to merchants and traders at home the chances of disposing of their various goods. A British consul is also a person to whom British seamen and other British subjects in distress may apply for assistance in returning to their own country.

In most civilized states the consul, since he does not enjoy the privileges accorded to ambassadors and diplomatic agents, is under the local law and subject to the local jurisdiction, and his residence is not held to be exempt from the authority of the local functionaries. But as a matter of comity it seems to be a generally recognized right that the official papers of the consulate are not liable to seizure, and that soldiers cannot be quartered in its buildings. For some purposes the consulate is held to be a part of the territory of the country which the consul represents, and certain legal acts done there are as valid as if done in the country itself. Marriages of British subjects, for instance, recorded in the books of the consulate, are perfectly regular since the passing of the Foreign Marriages Act, 1892.

In Mohammedan countries, and in the East generally, consuls are on a very different footing from that which they occupy in other states. This is the result of treaty stipulations. They exercise a certain amount of judicial power, as it is felt that it would not be safe to leave the decision of disputes, civil or criminal, in which Europeans and Americans are concerned to the local courts. Throughout the Turkish Empire, for instance, England has a network of consular and vice-consular courts culminating in the court of the

Consul-General at Constantinople. It is the same in China, Siam and other ports of the East, and Japan submitted to a similar restriction until 1899. In order to obtain the privileges attached to this peculiar right, foreigners resident in any of the countries which possess these consular courts, must register themselves, and comply with the regulations of the consulate.

England has a very complete consular service, as there are British consuls or vice-consuls at all the chief ports and towns with which this country has commercial relations. At present she is represented abroad by 60 agents and consuls-general, 133 salaried consuls, 48 unsalaried consuls, 100 salaried vice-consuls, 438 unsalaried vice-consuls, 49 consular agents and 124 pro-consuls. For the furtherance of British trading interests, there are also many commercial agents, specially appointed by the Government, who travel to various trading centres, both abroad and in the colonies, and are available for consultation by business firms in respect of local industries. The experiment of sending out these agents is a new one, and will be continued for two or three years.

CONSULAGE. (Fr. *Droits de consulat*, Ger. *Konsulargebühren*, Sp. *Derechos consulares.*)

The fees paid to a consul for the performance of certain duties.

CONSULAR. (Fr. *Consulaire*, Ger. *Konsular*, Sp. *Consular.*)

Everything that pertains to a consul.

CONSULAR INVOICES. (Fr. *Factures consulaires*, Ger. *Konsulatsfakturen*, Sp. *Facturas consulares.*)

These are invoices which must be made out and declared before the consuls of certain countries to which the goods are being exported. The principal of these countries are the United States, Portugal, Chili, Brazil, and other South American states. The United States do not require a consular invoice if the value of the goods does not exceed £20. The object of the formality is to insure the due observance of the laws of the country to which the goods are being sent, especially as to duties to be imposed. The forms of the invoices vary with the different countries, but all are alike in this respect, that one side of the invoice gives a full and accurate description of the goods, and on the other there is a declaration of the truth of the nature, quantity, and quality of the invoiced articles.

CONSULATE. (Fr. *Consulat*, Ger. *Konsulat*, Sp. *Consulado.*)

The office and residence of a consul, though the word is sometimes used to signify the jurisdiction of a consul.

The consulate is not generally held to be ex-territorial, but for the performance of certain legal formalities it is as though it were a part of the country for which the consul acts. Thus, marriages duly solemnized and recorded in the books of British consulates are as valid as though the contracts were entered into in England.

Special protection is granted to, and claimed for, consulates in Central and South America. They are places of refuge for foreigners during political disturbances, and are legally inviolable when floating the flags of their own countries.

CONSULSHIP. (Fr. *Consulat*, Ger. *Konsulat*, Sp. *Cargo consular.*)

The office or term of office of a consul.

CONTANGO. (Fr. *Report*, Ger. *Report*, Sp. *Reporte.*)

A Stock Exchange term for the charge made by brokers for carrying over a bargain from one fortnightly account to another instead of settling and closing it. It is possible that when a purchase has been made by a speculator no opportunity presents itself in the course of the fortnightly account of closing the bargain with a profit, though there are chances of profit if the account is kept open for a longer period. The practice is then for a fictitious sale to be effected, at the current market price of the stock bought, the difference between the buying price and the fictitious or carrying over price to be paid by the speculator, and the bargain to be kept open. For this privilege a certain rate of interest is paid for the money employed in the transaction, which will vary with the demands and requirements of the money market. It is the rate of interest thus charged which is the contango. The day for fixing the contango, the second day before settling day, is known as "contango day," or "continuation day."

CONTANGO DAY. (Fr. *Jour de report*, Ger. *Reporttag*, Sp. *Día de reporte.*)

The first day of the settlement. The day on which arrangements are made by stock-brokers and their clients for the carrying over of transactions to the next account. Sometimes called "making-up day."

CONTINGENCIES. (Fr. *Contingences*, Ger. *Möglichkeitsfälle*, Sp. *Contingencias.*)

Circumstances which may possibly arise, but which are not certainties. The corresponding adjective "contingent," is used in connections :—

(*a*) Contingent account. This is a provision made in some businesses to meet unforeseen, or uncertain liabilities. It is in reality a reserve.

(*b*) Contingent liability. A liability which can only exist definitely upon the happening of some uncertain event. For example, the liability of an indorser upon a bill of exchange.

(*c*) Contingent remainder. A remainder, or chance of succession to the possession of certain property, depending upon events or conditions which may never happen or be performed.

CONTRA. (Fr. *Contre*, Ger. *dagegen*, Sp. *Contra.*)

Latin, against, on the other side.

CONTRABAND. (Fr. *De contrebande*, Ger. *Contrebande*, Sp. *Contrabando.*)

All commerce which is carried on contrary to the laws of a state. The word is now most generally applied to contraventions of the revenue laws which prohibit or restrict the importation of foreign goods.

CONTRACT. (Fr. *Contrat*, Ger. *Vertrag*, Sp. *Contrato.*)

"Every agreement and promise enforceable at law is a contract" (Pollock). It is not quite correct to define a contract as an agreement enforceable at law, for an agreement which cannot be enforced, because it does not fulfil the requirements of certain statutes, e.g., the Statute of Frauds, or the Sale of Goods Act, may still be a contract.

Contract is the result of a combination of two ideas—an agreement and an obligation. (In the case of a simple contract there is also the all-important element of a consideration.) To constitute an agreement there must be a meeting of two or more minds in one and the same intention. This is called a *consensus ad idem*. But a mere agreement is not sufficient to make a contract. Otherwise such agreements as an appointment of two friends to take a journey together, or to dine together, might give rise to an action at law. There must be, in addition, an intention to create a legal obligation, that is, the parties must have it in their minds that, if necessary, the matter in hand shall be dealt with by a court of justice.

The necessary elements of a valid contract are :—

(1) A communication by the parties to one another of their intention. This is offer and acceptance.

(2) Legal capacity to contract.

(3) Certain evidence, required by law, of the intention of the parties to affect their legal position. This is form, or consideration.

(4) Legality and possibility as regards the subject matter.

(5) An absence of any circumstance which might show that the agreement entered into by the parties was not genuine. There must be no taint of mistake, misrepresentation, or fraud.

If any one or more of these elements is wanting, the so-called agreement, which purported to be a contract, will be either

(*a*) Unenforceable, that is, valid in itself, but not capable of being proved in a court of justice, or

(*b*) Voidable, that is, capable of being affirmed or repudiated by one or other of the parties, according to his wishes ; or

(*c*) Void, that is, destitute of all legal effect.

Classes of Contracts.—There are three classes of contracts in English law, contracts of record, contracts under seal, and simple contracts.

A contract of record is the name given to an obligation which arises from the judgment of a court of competent jurisdiction ordering something to be done or forborne by one of two parties in respect of the other. The term is not a fortunate one, because it suggests that the obligation springs from agreement, whereas it is really imposed upon the parties by some other third party.

A contract under seal is generally called a specialty contract or a deed. (See *Deed.*)

A simple contract is often called a "parol" contract, and it makes no difference whether it is in writing or only made orally. The name parol applies to both. The writing is in many cases unnecessary, and in others it is only used because it is required by some statute as a condition precedent to proof in court.

Another division of contracts is into "executed" and "executory." An executed contract is one in which the object of the contract is at once performed, while an executory contract is one in which one of the parties binds himself to do, or not to do, a given thing at a future time.

Offer and Acceptance.—These are

the two necessary elements in the formation of a contract. No matter how complicated the nature of an agreement may be, there must be a definite offer made by one party and an unqualified acceptance by the other before a contract is formed. If made by word of mouth the contract is said to be "express"; if, on the contrary, the offer and acceptance are to be inferred from the conduct alone of the parties, the contract is said to be "implied."

The following are the principal rules as to offer:—

(1) The terms of the offer must be certain, or capable of being made certain.

(2) The offer may be made either to a definite person or to individuals generally. There cannot, however, be any contract until the offer has been accepted by a definite person. The performance of the conditions prescribed in an advertisement offering a reward is a sufficient acceptance to conclude a contract.

(3) The person who makes the offer is at liberty to prescribe any terms of acceptance he pleases, and no matter how ridiculous these may appear, a strict compliance with them is necessary in order to make a contract.

(4) When the offer consists of various terms, care must be taken to bring the whole of the terms to the notice of the other party.

(5) The offeror must not attempt to bind the acceptor by any such term or terms as would dispense with a communication of acceptance.

(6) An offer can always be revoked until it has been accepted. It also lapses unless there is an acceptance within a reasonable time.

(7) An offer made by telegraph is an indication that an acceptance by telegraph is expected, or that a prompt reply is looked for.

The principal rules as to acceptance are:—

(1) The acceptance must be unconditional, and made in the manner and form prescribed in the terms of the offer. Any suggested variation amounts to a counter proposal.

(2) The acceptance must be made either within the time stipulated, or within a reasonable time.

(3) If the offer is made to a specified person, it can only be accepted by that person.

(4) The acceptance must be communicated to the person making the offer, either by words or by conduct.

(5) The acceptor must be unaware of the fact that the offer has been revoked, if indeed there has been a revocation.

Contract by Post.—When the parties to a contract make use of the post as a means of communication, the post is considered, *primâ facie*, as the agent of the first person making use of it, that is, of him who makes the offer. An offer sent by post is of no effect unless it reaches the other party, and when it has arrived at its destination it is always possible for the offerer to revoke the offer by a later communication, however made, so long as there has been no acceptance. But the mere despatch of a subsequent letter of revocation which does not reach the acceptor until the offer has been accepted is of no avail.

On the other hand, an acceptance made by post is complete at the *moment* the letter accepting the offer is posted. And it makes no difference even if, in fact, the letter never reaches its destination. The post is not, *primâ facie*, the agent of the acceptor, and therefore the acceptor is not responsible for any default caused by the loss or delay of a letter. The person making the offer has chosen his own agent, and must take the whole responsibility upon himself.

Capacity of Parties.—Capacity to contract is governed by the law of the domicile. This rule is subject to two exceptions.

(1) A person's capacity to bind himself by an ordinary mercantile contract is governed by the law of the country where the contract is made.

(2) The capacity to contract in respect of immoveable property is governed by the law of the country where the property is situated.

Every person is presumed to have the capacity to contract, but this presumption is capable of being rebutted as regards some persons, while others are disqualified by law. The capacity of an artificial person, such as a corporation, depends upon the charter or statute creating it.

Since the Naturalization Act of 1870 there has been no difference in the capacity to contract between a natural-born British subject and an alien, that is, a person who is not a subject of the British crown, except that the latter can acquire no property in a British ship. This, however, refers to times

of peace. There can be no contract between a British subject and the subject of a state at war with this country.

Foreign states and sovereigns, their ambassadors, and the officials of their households, may enter into contracts with British subjects, but they cannot be sued upon such contracts in England unless they are willing to acknowledge and submit to the jurisdiction of the English courts.

A person under the age of twenty-one is legally an infant. Prior to the Infants' Relief Act, 1874, the contracts of an infant were never void. Excepting for "necessaries," his contracts were voidable only; he might affirm them or repudiate them at his option.

No precise definition can be given of the term "necessaries," so as to cover all cases. A great deal depends upon the social position of the infant. It is clear also that the articles included in the term will vary with the advance of wealth and civilization. Moreover, a tradesman acts at his peril who supplies an infant with what might be considered necessaries if the infant is already supplied with articles of the same kind. As a corollary to his liability for necessaries, it has been held that a contract which is clearly for his benefit is binding on an infant, such as a contract of service or apprenticeship. Even when there are covenants in an apprenticeship deed not altogether to the infant's advantage, the contract as a whole may be enforced. In a recent case Mr. Justice Channell said: "The true question is whether the particular stipulation complained of is so unfair as to make the entire contract disadvantageous to the infant. You may find in any contract a clause which by itself is not to the advantage of the infant; but that is not enough; the contract, as a whole, must be disadvantageous."

By the first section of the Infants' Relief Act of 1874 the following contracts of an infant are absolutely void:—

(*a*) For the repayment of money lent, or to be lent;

(*b*) For goods supplied, or to be supplied (other than contracts for necessaries);

(*c*) Accounts stated, that is, admissions of liability for money due.

By the second section of the same Act it is provided that a ratification, after full age, of any contracts made during infancy, shall have no binding effect, even if there is a fresh consideration for such ratification. This section has given rise to much difficulty But it is, nevertheless, clear that in the case of contracts of continuing liability, such as a partnership, or as being a shareholder in a joint-stock company, an infant will be bound after attaining his majority unless he repudiates his liability within a short time of his coming of age.

Although the courts will make every effort to prevent an infant obtaining a benefit through his fraud, the infant will not be bound by a contract which has been entered into with a tradesman who was deceived as to his age. Without authority, express or implied, an infant cannot bind his parent or guardian, even for necessaries.

The common law as to the capacity of a married woman has become practically obsolete, and it is unnecessary to consider the state of things prior to the passing of the Married Women's Property Act, 1882. This Act has been amended in important particulars by two subsequent Acts, passed in 1884 and 1893. A married woman can now hold property as her own, and, with respect to that portion over which she has full control, it is possible for her to enter into contracts as if she were unmarried. It is immaterial whether she has or has not property of her own, or, as it is generally called, "separate property," at the time of entering into a contract.

There is no remedy against a married woman personally; she contracts with respect to her separate estate, and if she has no separate estate her creditors are without any remedy against her. She may be possessed of ample means, but if her property is in the hands of trustees, and she is "restrained from anticipation," that is, forbidden to alienate or charge her property, a judgment obtained against her will be in most cases valueless so long as she remains a married woman. She cannot be committed upon a judgment summons, nor, unless she is trading apart from her husband, can she be made a bankrupt. Her peculiar immunities cease as soon as she becomes a widow.

The old common law doctrine of the husband and wife being one person has been practically destroyed, so far as the power of contracting is concerned. A wife can, therefore, contract with her husband in respect of her separate estate just as with any other person.

So long as a husband and wife are living together the wife has an implied authority to bind her husband, acting as his agent, for necessaries for herself, and in household matters generally. But the authority is only an implied one, and may be rebutted by the husband's showing that he has forbidden her to pledge his credit. The authority continues as to necessaries for herself if the parties are living apart, without any fault on the part of the wife, and the husband neglects or refuses to maintain her.

The capacity of a corporation or company to contract depends upon the purposes for which it is formed, as set forth in the statute, charter, or memorandum of association by which it is constituted. If it exceeds its powers in this respect it is said to act *ultra vires*, and any such contract entered into is absolutely void. As a general rule a corporation cannot bind itself except by a contract under seal. But this rule is subject to many exceptions. If the matter is one of slight importance, or of great urgency, the seal will be dispensed with. There is an increasing tendency to give validity to contracts made with corporations, and not under seal, which arise in the ordinary course of business.

The contract of a lunatic is voidable and not absolutely void, though his estate is always liable for the price of necessaries supplied to him. But in order that a lunatic may claim the benefit of repudiation of a contract into which he has entered, while in an unsound state of mind, he must show that his mental condition was known to the other party to the contract at the time of entering into it. In a recent case it was said: "A defendant who seeks to avoid a contract on the ground of his insanity must plead and prove not merely his incapacity, but also the plaintiff's knowledge of that fact, and unless he proves these two things he cannot succeed." During a lucid interval a lunatic has the same capacity of contracting as any other person, and he may also then ratify and confirm any contract entered into while insane.

A drunken person, who is in such a condition as not to understand what he is doing, is in the same position as to contracts as a lunatic.

By the Act to Abolish Forfeitures for Treason and Felony, passed in 1870, convicts are incapable of suing in an action or making any contract, except while they are lawfully at large under any licence. By the 6th section of the Act a convict is defined to be a person against whom judgment of death or of penal servitude has been pronounced.

Form and Consideration.—The deed is the only formal contract which is known to the English law. It may be used in any commercial or other transaction which is of the nature of a contract. But this rarely happens; indeed, its use is strictly confined to those cases in which the law has directed that sealing is indispensable. Of these cases the following are the principal:—

(*a*) Conveyances of land, legal mortgages, and certain leases which are to last more than three years.

(*b*) Contracts by which shares in joint-stock companies are transferred. It is a general rule for the Articles of Association of a company to require a deed for such transfer.

(*c*) Contracts by which British ships are transferred.

(*d*) Contracts for the sale of sculpture together with the copyright in the same.

(*e*) Contracts entered into with corporations.

A deed is also necessary in order to make a gratuitous gift, or a bond, of any legal effect.

Every contract not under seal, or which is not a contract of record, is called a simple contract. In order to be enforceable at law it must be supported by a consideration. At first the fact of an agreement having been entered into and the existence of a consideration were the only requisites of a simple contract. But after the passing of the Statute of Frauds in 1678 it became necessary that certain contracts should be evidenced by writing. The writing itself does not affect the contract; the law only requires it as evidence of the fact that a contract has been entered into by the parties. Writing is always advisable in cases of difficulty and complication, but if a contract can be proved otherwise, it is always enforceable in a court of law unless it falls within the class of those contracts which absolutely require the existence of writing to support them. Moreover, a defendant who intends to rely upon the defence that there is no evidence in writing, must specially plead it, or the absence of writing will not help him. (See *Frauds, Statute of.*)

The other contracts which must be evidenced by writing are:—

(*a*) Bills of exchange. This was neces-

sary by the *lex mercatoria*, and was adopted by the common law. A statute of the reign of Anne required that promissory notes should also be in writing. Both are now governed by the Bills of Exchange Act, 1882.

(*b*) Assignments of copyright.

(*c*) Contracts of marine insurance.

(*d*) Acknowledgments of debts barred by the Statute of Limitations.

The existence of a document in writing does not dispense with consideration, unless that document is a deed. Considerations are of two kinds, good and valuable. A "good" consideration consists in natural love and affection. This is not sufficient to support a simple contract. The consideration required is what is known as valuable. A "valuable" consideration has been defined as "some right, interest, profit, or benefit accruing to one party, or some forbearance, detriment, loss, or responsibility given, suffered, or undertaken by the other." More shortly it may be defined as some return or equivalent for a promise made, to show that the promise was not made gratuitously. The simplest illustration is the payment of a sum of money for the purchase of goods, or for an undertaking to do some piece of work.

The requisites of a consideration are:—

(1) The consideration must be of some value, however slight, and must proceed from the person to whom the promise is made. Unless the consideration is one of such inadequate value as to raise a presumption of fraud, the contract will not be set aside by the courts.

(2) If the consideration consists in something to be done by one of the parties to the contract, it is necessary that the act should not be such as the promisor is already under a legal obligation to do.

(3) The consideration must not be of a vague and indefinite character. It must be something that the law can enforce, if necessary.

(4) It must be lawful.

(5) It must not be a past benefit, unless it can be shown that the services rendered were at the request, express or implied, of the party benefited. The law will imply the request,

(*a*) Where the plaintiff has been compelled to do what the defendant was legally bound to do.

(*b*) Where the plaintiff has voluntarily done what the defendant was legally compellable to do, and the defendant has, in consideration of the same, expressly promised.

(*c*) Where the defendant has adopted the benefit of the consideration.

Legality.—No agreement is of any legal effect if it is unlawful in any of its terms, or if it contemplates the prosecution of anything which is unlawful in its results. It makes no difference whether the contract is under seal or only a simple contract. In each case such a contract is void.

It is not merely the liability to punishment, or other legal penalty, which makes an agreement unlawful. An agreement may also be null and void if it opposed to public policy, or is expressly made void by statute law.

Any agreement to commit a crime is, of course, void, and so also is one to commit a civil injury, that is, an injury for which damages may be claimed in a court of law. Again, an agreement is equally invalid if it has for its object the payment of money, or the transfer of property, in aid of an illegal purpose. For example, it is a criminal offence to compound a felony, that is, to refrain from prosecuting an offender. An agreement, therefore, to lend money for the purpose of applying it in compounding a felony is void. *The holding of lotteries is a criminal* offence. Any agreement, therefore, to subscribe to a lottery, or to pay a prize gained in the same to a winner is void. Again, all agreements which have for their purpose the defrauding of third parties are void. If, therefore, a man who is heavily indebted enters into an agreement with his creditors by which he agrees to pay them a certain portion of their debts in full satisfaction of the whole, he cannot favour one creditor at the expense of the rest. An agreement to pay a larger composition to one than to the others is void; that is, of course, unless all the others consent to such a thing being done.

Certain contracts have been made invalid by various Acts of Parliament. Such are those which offend against the provision of the Truck Acts, by which it is forbidden to pay the wages of workmen otherwise than in money, and the laws as to Sunday trading—now almost obsolete. Gaming and wagering contracts are invalid, and contracts for the sale of certain goods, such as game, intoxicating liquors, bread, and coal, are subject to particular regulations.

Contracts made on the Stock Exchange for the sale and purchase of

stocks and shares, which are not intended by the parties to result in legitimate business are, in the eye of the law, wagers, and consequently void. Also Leeman's Act, passed in 1867, renders void the sale of shares in a joint-stock banking company, unless the contract sets out in writing the numbers of the shares as stated in the register of the company. It has been the custom of the London Stock Exchange to disregard the provision of this Act, but such a custom cannot be upheld.

If one party to an unlawful agreement has paid money to the other party for the purposes of the agreement, he may repudiate his agreement and claim repayment of his money, unless it has already been appropriated by the party to whom it has been paid in accordance with the terms of the agreement.

Public Policy.—It is not easy to define "public policy," since the term must have different meanings at different times; but it may be broadly stated that the contracts which are held to be opposed to public policy are those which it is deemed not advisable to recognize on the ground that they are opposed to the public interest. At one time there was a strong disposition to interfere with contracts which were supposed to offend against public policy, but the reverse is now the case, and in 1891 the late Mr. Justice Cave said: "Judges are more to be trusted as interpreters of the law than as expounders of what is called public policy." Consequently, the number of contracts which are held to be illegal on this ground is now comparatively small.

Trading agreements made with aliens who are the natural-born subjects of a country at war with this country are invalid. The rule is different if a licence has been obtained from the Crown to trade with the enemy. Contracts entered into before the outbreak of hostilities between the subjects of different states are simply suspended during the continuance of the war, unless they are such as to be incapable of suspension, e.g., a partnership.

Other contracts which are considered to be opposed to public policy are those which stipulate for the payment of penalties under certain conditions. Sometimes the parties to a contract agree as to the sum of money to be paid in case there is a breach of it, and give to the sum agreed upon the name of "liquidated damages." But the law will scrutinise agreements of this kind with great jealousy, and, following the principles of equity, will grant relief whenever it is clear from the facts of the case that the payment is, in spite of its name, not the amount of damages which have been sustained, but in reality a much larger sum, and therefore a penalty.

Restraint of Trade.—Contracts which tend to place any undue restraint upon freedom of trade are regarded with suspicion. The reasons for holding contracts in general restraint of trade to be void were stated concisely in a case tried in 1837.

"(1) Such contracts injure the parties making them, because they diminish their means of procuring livelihoods and a competency for their families. They tempt improvident persons, for the sake of gain, to deprive themselves of the power to make future acquisitions. And they expose such persons to imposition and oppression.

"(2) They tend to deprive the public of the services of men in the employments and capacities in which they may be most useful to the community as well as to themselves.

"(3) They discourage industry and enterprise, and diminish the products of ingenuity and skill.

"(4) They prevent competition and enhance prices.

"(5) They expose the public to all the evils of monopoly."

The history of the subject is extremely interesting, but too lengthy to be attempted in any work not specially devoted to the subject. By degrees, it was held that a partial restraint of trade might be allowed, provided there was a limit of time and space, and that there was also some consideration for the restraint. (It is an exception to the general rule as to deeds, that even though the agreement in restraint of trade is under seal, there must still be a consideration to support it.) What is a reasonable limit must depend upon the peculiar circumstances of each case, and especially upon the nature of the trade or profession which is affected. Thus, the following have been held good: a contract by a solicitor not to practise within 150 miles of London; by a surgeon not to practise within seven miles of a certain country town; by a publisher not to carry on his trade within 100 miles of the General Post Office, London. But a contract by a dentist not to carry on his practice

within 100 miles of York was held to be bad.

Owing to the invention of railways, the telegraph, and the telephone, the courts are now inclined to give a more liberal construction to contracts of this kind than they would have done half a century ago. A business man is not now confined to a narrow limit, but may have connections in all parts of the world. He might, therefore, be a serious loser at various times if his clerks, agents, or employees were able to set up in business and compete with him. For this reason when an employee is taken into service in a firm with a large business connection it is generally made a condition of the contract of employment that he shall not enter into the same or a similar business to that carried on by his employer for a certain period, or within a limited district, after the termination of his engagement. A similar kind of agreement is entered into in most cases between the vendor and purchaser of the goodwill upon the sale of a business, the vendor covenanting not to compete with the purchaser for a certain time within a specified district. The object in both cases is to prevent undue competition. Unless the restraint imposed is considered, under all the circumstances, too harsh, the agreement will be held good.

Sometimes an agreement of this kind will be held to be partly good and partly bad. Thus, in one case the defendant covenanted with his employers that after he left their service he would not practise as a dentist in London, or in any other place in England or Scotland where they might have been practising. The agreement was held to be good as to London, but bad as to all other places.

The latest and most important exposition of the modern law as to contracts in restraint of trade is to be found in the case of *Nordenfelt* v. *Maxim-Nordenfelt Guns Co.* (1894), A.C. 535. There a patentee and manufacturer of guns and ammunition for purposes of war covenanted with a company to which his patents and business had been transferred, that he would not for twenty-five years engage, except on behalf of the company, either directly or indirectly, in the business of a manufacturer of guns and ammunition. It was held that although the covenant was unrestricted as to space, yet, having regard to the nature of the business and the limited number of customers, viz. the governments of this and other countries, it was not wider than was necessary for the protection of the company, nor injurious to the public interests of this country, and that it was therefore valid.

A very curious case in connection with this subject is the recent one of *Elliman* v. *Carrington* (1901), 2 Ch. 275. The plaintiffs, who are the well-known manufacturers of an embrocation, sold a quantity of their goods to the defendants under a contract whereby the latter agreed not to sell them for less than a specified price, and also to procure a similar agreement from any retail dealers whom they might supply. The defendants failed to obtain such agreement from the retail dealers. It was held that the covenant in the contract was not in restraint of trade, and that the plaintiffs were entitled to maintain an action against the defendants in respect of the breach of it.

Possibility of Performance.—The contract must be one which is capable of being performed at the time when it is made. An undertaking to perform an impossibility renders a contract void for want of sufficient consideration.

There are three kinds of impossibility :—

(1) Absolute impossibility. This is the case of an agreement to perform a thing which is incapable of performance by the laws of nature, as an undertaking to fly to the moon, or to circumnavigate the globe in an hour.

(2) Legal impossibility. This is the case where an act is positively forbidden by the law of the land.

(3) Actual impossibility. This is the most important of the three. It arises where parties have contracted as to a certain thing which, without their knowledge, is non-existent at the time of entering into the contract, or as to a state of affairs which has changed between the times of the formation and the performance of the contract. Thus, in one case, two parties bargained as to a cargo which was supposed to be on a voyage. It subsequently transpired that it had ceased to exist owing to perils of the sea. It was held that the contract was void.

Many interesting cases on impossibility of performance have arisen lately out of the letting and hiring of seats for the Coronation in 1902. In one of the latest it was judicially decided that where money has been paid under a contract, the further

performance of which has become impossible owing to the non-existence of the subject matter of the contract, the contract is not rescinded *ab initio*, but both parties are excused from any further performance under the contract.

Of course a man may contract absolutely as to this third class, and if he does so he must submit to the consequences. But the terms of the contract would have to be very explicit to fix him with liability for every kind of failure, especially if the contract was one of a personal nature. It might be utterly impossible, under the circumstances, to secure the services of a deputy in cases of incapacity or illness.

Mistake.—Since the agreement of two minds in the same sense upon the same subject matter is a condition precedent to the formation of a contract, the parties must know what they are bargaining about, and if it can be shown that there was clearly a misapprehension on the one side or the other, the contract will be, in some cases, invalid or voidable. But the mistake which will affect the validity of a contract must not be confounded with the popular meaning of the word, nor does the operation of mistake extend beyond what are called mistakes of fact. Otherwise the majority of people would probably endeavour to avoid their liabilities on the ground that things had turned out contrary to their expectations, and that they had been mistaken.

No agreement, which in other respects contains all the ingredients of a valid contract, is invalid because of a mistaken construction of the law. A person who has full knowledge of all the material facts of a case cannot plead ignorance of the legal effects of an agreement. The maxim is *Ignorantia juris neminem excusat* (ignorance of the law excuses no man). Similarly, although money paid under a mistake of fact may be recovered, that paid under a mistake of law is irreclaimable. Thus, in one case an action was brought to recover the price of goods sold. The defendant declared he had paid for them, but could not produce the receipt. He was, therefore, compelled to pay a second time; and when, a little later, the receipt turned up, he was unable to recover his money from the seller of the goods. The decision is apparently harsh, but it is based upon the principle that unless some limit is fixed contests in the courts would go on interminably. The doctrine that money paid by mistake under compulsion of legal process cannot be recovered will not be allowed to prevail if it appears that there has been an absence of *bona fides* on the part of the original creditor.

In some cases the courts will allow a mistake in a written agreement to be rectified, if it is clearly made out that the agreement as it stands does not express the intentions of the parties.

The mistakes of fact which are sufficient to invalidate a contract, otherwise regular upon the face of it, are the following:—

(1) Mistake as to the subject matter of the contract. This may refer either to the existence of the subject matter at the time of the formation of the contract, or to its identity. Unless the parties are *ad idem*, there can be no contract.

(2) Mistake as to the parties to the contract. This arises when one of the parties intending to contract with one person makes an agreement with another. Certainty is one of the essentials of a valid contract, and a mistake of this kind renders the agreement invalid.

(3) Mistake as to the nature of the contract. The most familiar example of a mistake of this kind is where a blind or illiterate person is prevailed upon to sign a deed or other document, being told that it is something altogether different. The mistake, which may amount to fraud on the part of some person or other, arises from the fact that the mind of the signatory does not accompany the signature.

A very difficult point arises in the sale of goods, where the parties hold different views as to the nature and quality of the thing sold. Unless, however, it is shown that the seller is in some way bound to the buyer, each party takes his own chance as to the bargain, and the contract holds good.

Misrepresentation.—Before any contract is entered into the parties will most probably have been in negotiation, and certain statements, inducing the contract, will have been made on one side or the other. In the case of certain contracts, e.g., insurance, the representations made are of the utmost importance, and the fullest disclosure of all material facts is required. If the statements turn out to be inaccurate, though not so to the knowledge of the person making them, there will arise what is called misrepresentation, and the contract will be voidable at the option of the person damnified, since his con-

sent to the terms of the contract was obtained by representations which prevented him from having a full and proper knowledge of the facts. In order, however, that misrepresentation may be a ground for rescinding a contract, it must be one of fact and not of law, it must have been made by one of the parties to the contract, and the contract itself must have been induced by the other party relying and acting upon the misrepresentation.

Cases of misrepresentation arise very frequently, and as the facts are often complicated it is a difficult matter, without carefully sifting the whole evidence, to say what will suffice to avoid a contract on this ground. When a man intends to enter into a bargain he must use foresight and ordinary prudence, and he cannot expect much sympathy—the law certainly will not sympathise with him—if the bargain turns out to be less favourable than he imagined it would be, especially if, when he has had every opportunity of examining the whole matter for himself, he has nevertheless trusted blindly to the statements of others.

Fraud.—When a misrepresentation is made by a party with a full knowledge that it is untrue, or recklessly, not caring whether it is true or false, this is said to be fraud. The law upon the subject was finally settled by the House of Lords in *Derry* v. *Peek* (1889), 14 A.C. 337. In that case the directors of a tramway company had stated in their prospectus 'that they had a right to use steam power in the working of their carriages. In point of fact, the right to use steam power was subject to the sanction of the Board of Trade, which the directors honestly believed they would obtain. The permission was not given. It was held that as the statement in the prospectus was made honestly, in the belief that it was true, there was no fraud.

Since this case was decided the position of directors has been changed by the Directors' Liability Act, 1890. If a charge of fraud is now made against directors, it is not for the plaintiff to prove that the directors had no grounds for believing in the truth of the statements contained in the prospectus, but for the directors to show that they had good grounds for making them. As far as other persons are concerned, the law remains as it was laid down in *Derry* v. *Peek*.

Fraud is so far-reaching in its effect, and so infinitely varied in its form, that the courts have refused to lay down any definition of it which will cover all cases. As in misrepresentation, it must be remembered that in order to avoid a contract on the ground of fraud, the fraudulent statement complained of must be one of fact and not of law, must have been made by one of the parties to the contract, and must have been the cause of the contract's being entered into. The misrepresentation need not be made directly to the person deceived. In a recent case it was held that where a prospectus was issued not merely for the purpose of inviting persons to subscribe for shares, but also of inducing persons to purchase the shares of the company in the open market, the office of the prospectus was not exhausted by the allotment of the shares; and that any one who, having received a prospectus, afterwards purchased shares in the open market, relying upon the false representations contained in the prospectus, had a cause of action against the promoters for fraudulent misrepresentation. But if the buyer of shares did not, in fact, rely upon the false statements complained of, but was induced to buy for other reasons, no action would lie.

Since the state of a man's mind is a matter of fact, a person cannot shelter himself behind a declaration that he made a statement honestly believing it to be true, when in fact he is wilfully misrepresenting the state of his own mind. But this is a question of evidence.

If a contract has been induced by misrepresentation or fraud the injured party may elect to uphold the contract or set it aside. The contract is not void, but voidable. If it is intended to uphold the contract, there is a right of action for damages sustained by the fraud or misrepresentation. If it is intended to avoid the contract notice must be given to the other parties. If any advantage has been taken under the contract it cannot be avoided, and the same is true if circumstances have so altered the state of affairs that the original position of all concerned cannot be restored.

Undue influence and duress are subjects closely allied to misrepresentation and fraud. The former consists in the improper exercise of a power possessed over the mind of one of the contracting parties by the other. The latter signifies actual or threatened violence, or a restraint of liberty. In

either case the party coerced may avoid the contract, since the law will presume that his consent was not given freely. Subsequent ratification, however, when the undue influence or duress has been removed, will make the contract good in all respects.

Rights and Liabilities.—A contract gives rise to certain rights and liabilities. These rights and obligations cannot arise except between the parties to the contract. A third party cannot come in and demand the performance of anything, even though the contract is really made for his benefit. For example, if A agrees with B, there being a consideration for the promise, that C shall receive £50, C cannot enforce the payment of this sum, since he is no party to the agreement. Similarly C cannot be bound by a contract made between A and B to do something for the benefit of either of them. The fact of an agent being employed to carry out an agreement is not an exception to the rule. The legal maxim is *qui facit per alium facit per se*, and the agent occupies the place of his principal, or employer, for many purposes.

What are the exact rights and obligations arising out of a contract is a question of evidence. If the contract is a verbal one, the intentions of the parties must be gathered from all the circumstances of the case. If the contract is one which requires writing to make it enforceable, the construction of the document is for the court. It must be carefully borne in mind that when all the terms of a contract are reduced to writing, no evidence can be given to vary them. The terms have been set out deliberately, and the rights and obligations given or imposed must be found within the four corners of the document.

Nevertheless, when it is necessary to give effect to the terms of a contract, whether of those which have been proved in the case of a verbal contract, of or those which are contained in a written document, certain rules of construction must be observed, of which the following are the principal :—

(1) The construction must be reasonable.

(2) It must be liberal.

(3) It must be favourable.

(4) Words must be construed in their ordinary sense.

(5) The whole context must be considered.

(6) The words of a contract must be construed most strongly against the contractor.

From a general consideration of these rules it is clear that the English courts lean strongly towards making a contract effective, whenever they can see their way clear to do so, on the maxim *ut res magis valeat quam pereat.* If words have acquired a peculiar signification from their use in a certain locality or trade, their meanings will be recognized and effect will be given to them. Thus in one case it was shown that a thousand rabbits always signified twelve hundred. The existence of commercial and local customs will be noticed, unless they have been expressly excluded by the terms of the contract.

The rule as to the exclusion of oral evidence to vary a contract which is evidenced by writing does not extend to the case of what is called a "latent ambiguity," that is, a word or phrase which on its face appears perfectly clear, but which can be shown to be applicable to different matters.

At common law it was impossible to assign the rights acquired under a contract, as being a *chose in action.* This was not the rule in equity, and since the passing of the Judicature Act, 1873, the equitable prevails in all the courts. (See *Assignment.*)

Discharge of Contract.—A contract is said to be discharged when the contractual relationship is terminated, and the rights and liabilities arising out of it are extinguished. Other rights and liabilities may have arisen, but they are independent of the original contract.

Discharge may take place in one of the following ways :—

I. *Agreement.*—This may happen in one of three ways—by the substitution of a fresh agreement for the original one, by waiver, or by release. If the original contract was under seal the release must be effected by means of a deed. If the release is not one which requires to be under seal, it must be made for a sufficient consideration. In the case of an agreement made by promises of one party to the other, the consent of each to its alteration or cancellation will be consideration enough. No consideration is required for the cancellation of a bill of exchange.

A contract is said to be discharged by agreement if it comes to an end owing to the occurrence of an event, upon the happening of which it has previously been agreed that all rights and liabilities under it shall cease. This

is generally so with an ordinary bond. A binds himself by deed to pay to B a sum of £500, but if B does a certain act the bond is to become void. The performance of the act extinguishes the contract.

II. *Performance.*—By performance is meant the fulfilment of the terms of the contract in every respect. If a time is fixed for the performance it must be observed; if not, a reasonable time is to be allowed.

When the performance of a contract consists in the payment of a sum of money, the money paid, in order to make the discharge absolute, must be by what is called legal tender, unless the creditor dispenses with it. (See *Legal Tender.*)

If a cheque, bill, or note is accepted by a creditor in payment of money due, it will depend upon the circumstances of the case whether it was the intention of the parties to extinguish the existing contract by the transfer of such cheque, etc. If it was, then the creditor has a new contract in place of the old one, upon which he must sue in the event of the cheque being dishonoured. Generally, however, it is understood that the cheque is given conditionally, and that the agreement between the parties is that if the cheque is dishonoured the original contract is revived.

A contract is discharged when an agreement has been made by the parties to it that something shall be done or given in satisfaction of the existing right of action under the contract. This is called "accord and satisfaction." But accord without satisfaction does not bar the right of action. Therefore in the case of an ascertained debt the acceptance of a smaller sum of money is not satisfaction, but simply a reduction of the debt *pro tanto*, there being no consideration for the relinquishment of the unsatisfied part. But the payment of something else of a different nature (and even a negotiable instrument for a smaller amount), however insignificant its value, is a sufficient performance of the contract, and a good legal discharge.

Tender operates as a performance of a contract, if made strictly in accordance with the terms of the contract, but refused by the promisee. (See *Tender.*)

In connection with the subject of payment should be noticed the rules respecting "appropriation of payments." If a debtor owes more than one debt to his creditor, and pays to him a sum of money which is insufficient to liquidate the whole of the debts, the money must be appropriated by the creditor in the following manner:—

(1) To whichever debt the debtor desires, provided the option is exercised at the time of payment.

(2) If no appropriation is made by the debtor, the creditor is at liberty to exercise his own option at any time.

(3) If there is a general running account between the parties, there is a presumption (though it may be rebutted) that the money paid has been appropriated to the various items in the order of date.

When two or more persons have jointly promised, each of them is liable on the contract, and the performance of the terms by any one of them is an extinguishment of the liability of the others. The contract is discharged by the performance. The one who has performed the contract can make his co-promisors repay their share of the debt or liability. This right of contribution is confined to contract; there is no contribution in tort, except in the case of a libel contained in various newspapers, and under the Directors' Liability Act, 1890.

III. *Breach.*—On the breach of a contract the rights and liabilities under it are converted into a right of action for damages, or in certain cases for specific performance, or for an injunction.

The breach of a contract may be either total or partial. If it is total, the party who is injured may at once commence an action against the other party, even though the time for performance is not yet due, provided that the circumstances are such as to make it clear that the terms of the contract will not be carried out. The case which well illustrates this rule is that of *Hochster* v. *de la Tour* (1853), 22 L.J., Q.B. 455. The plaintiff had been engaged by the defendant to act as his courier at a fixed salary, the duties to commence on June 1. Before that day arrived the defendant changed his mind, and told the plaintiff that he should not require his services. It was held that there was an immediate right of action, and that the plaintiff need not wait until June 1 to commence proceedings. The effects of a partial breach of contract will depend upon the peculiar circumstances of each case.

The most common relief afforded to an injured party for the loss which he has sustained through a breach of contract is damages. Since the main object in awarding damages is to place the injured party as far as possible in his original position, the measure of damages in contract is the amount of the loss which has been sustained through the breach of the contract. These can always be ascertained. Sometimes special losses are taken into consideration, and are recoverable from the defendant; but this is only the case when the defendant knew that such special loss would naturally arise from a breach of the contract, and undertook to be answerable for such loss. In addition to damages, the court may award interest upon a debt or a fixed sum of money awarded to a successful plaintiff in an action. The remedies of specific performance and injunction are applicable when it is clear that money damages are inadequate to compensate the injured party for the breach of the contract.

IV. *Lapse of Time.*—An action on a simple contract must be commenced within six years of the time when the cause of action arose, and within twenty years on a specialty contract. An action for the recovery of land must be commenced within twelve years from the time when the cause of action arose. (See *Limitations, Statute of.*)

V. *Merger and Estoppel.*—Merger is the substitution of a higher grade of contract for a lower, e.g., a specialty debt for a simple contract debt. Again, a judgment of a court of law is of a higher grade than a right of action. Thus, a judgment in favour of the plaintiff discharges the right of action, and supersedes it. Similarly, if judgment is given for the defendant, the judgment supersedes the right of action, and acts as an "estoppel," that is, debars the plaintiff from again suing the defendant for the same cause of action.

VI. *Impossibility.*—A contract is sometimes discharged by the impossibility of performance, which has arisen since the making of the contract. An interesting case on impossibility of performance is that of *Nickoll and Knight* v. *Ashton, Edridge & Co.* (1901), 2 K.B. 126. By a contract made in October, 1899, the defendants sold to the plaintiffs a cargo of goods, to be shipped by a certain steamship at an Egyptian port during January, 1900, and to be delivered to the plaintiffs in the United Kingdom. The contract provided that, in case of prohibition of export, blockade, or hostilities preventing shipment, the contract or any unfulfilled part thereof should be cancelled. Towards the end of 1899 the steamship was stranded through perils of the sea, without any fault on the part of the defendants, and was so damaged as to render it impossible for her to arrive at the port of loading during January, 1900. The plaintiffs sued for failure on the part of the defendants to ship a cargo under the contract. It was held, however, that the contract was to be construed as subject to an implied condition, that if at the time of its performance the steamship should, without any default on the part of the defendants, have ceased to exist as a ship fit for the purpose of shipping a cargo, then the contract should be treated as at an end.

In the case of bankruptcy the trustee has a right, under certain conditions, to disclaim any contracts entered into by the bankrupt. (See *Disclaimer.*)

CONTRACT NOTE. (Fr. *Note de contrat*, Ger. *Schlussschein*, Sp. *Nota de contrato.*)

A written agreement to supply or to purchase goods at a certain fixed price. It is, in fact, a brief statement of the terms of a contract.

CONTRACT NOTE, BROKER'S. (Fr. *Note de contrat de courtier*, Ger. *Schlussschein des Maklers*, Sp. *Nota de correduria.*)

A memorandum or report of a transaction carried out by a broker for or on behalf of other persons. The term is commercially applied to the bought and sold notes, which are sent by the broker to the buyer and seller respectively, containing a short record of the transaction. These notes are made out from the entries contained in the broker's contract book. It was long ago judicially decided that when the contract notes do not agree in their terms, the true effect of the contract itself was to be gathered from the broker's book.

Contract notes relating to the sale of goods are exempt from stamp duty. Those which have reference to dealings in stock or marketable securities must be stamped as follows:—

(*a*) When the stock bought or sold is of the value of £5 or upwards, but under £100, 1*d.*

(*b*) When the value exceeds £100, 1*s.*

The stamps used are adhesive ones, the penny one being the ordinary

postage and revenue stamp, but the shilling stamp is specially appropriated to contract notes. The stamps must be cancelled by the persons who issue the notes. If the notes advise the purchase or sale of more than one kind of stock, stamp duty is payable upon each kind, as though separate contract notes had been issued for various transactions.

A broker who evades or attempts to evade the payment of stamp duty is liable to a penalty of £20.

CONTRIBUTORIES. (Fr. *Contributeurs*, Ger. *Beitragende*, Sp. *Contribuyentes.*)

All those persons who are liable to contribute to the assets of a joint-stock company in the event of its being wound-up.

No question of contribution arises if the capital of the company has been fully paid up. The liability of the shareholders is at an end. And where the company is limited by guarantee, no person can be called upon to pay more than the amount owing upon his guarantee. Likewise no shareholder can ever be called upon to contribute anything beyond the balance remaining due upon the shares which he holds, or, in certain cases, which he has held within twelve months of the commencement of the winding-up.

Contributories are divided into two classes, present and past members. The former include all those whose names are on the register of shareholders at the time of the commencement of the winding-up proceedings, and the latter are those who have been on the register within the twelve months previously. In practice the liquidator places them in two lists, known as the "A" list and the "B" list. The "A" list is settled as early in the winding-up as possible, but the "B" list is not fixed until it has been shown to the court that the present members, comprised in the "A" list, are unable to satisfy the debts of the company. They are the persons who are primarily liable, and they must be individually exhausted before any call is made upon the past members. Moreover, past members can in no case be made liable for debts which have been contracted since they ceased to be members.

The rule to be observed in respect of contributories has been judicially declared as follows: "You will apply all that you can get from the existing members in payment of the existing debts, no matter of what date. If after you have done that there remain debts unsatisfied, so that you have to resort to the members who have passed away from the company within a year, then you will be compelled to classify the residuum of the debts so remaining, and ascertain what part of that residuum is to be attributed to past debts, that is, to debts which pre-existed the transfer made by past members—and what portion is to be attributed to the new debts which have arisen subsequently to the date of the last transfer. When you have ascertained the proportion which is attributable to debts which existed when the transfers were made, then if there have been several transfers within the year, you will be compelled of necessity to subdivide that portion of the residuum into several portions according as you find that transfers have been made within the past year."

A contributory's estate does not escape liability by means of the death or bankruptcy of the contributory. His executor, administrator, or trustee, as the case may be, will be placed upon the list.

If there are debts owing by the company to a contributory, the latter cannot set those up in part or complete liquidation of the calls made upon him in competition with the ordinary creditors of the company. The calls must first be paid, and the contributory must prove his debt or debts in the winding-up. But any sum owing as dividends may be taken into account for the purpose of the final adjustment of the rights of contributories amongst themselves. Should a contributory, however, be bankrupt, the rule in bankruptcy prevails, and the trustee may set off against the calls any debt due from the company to the contributory.

Notice is given by the liquidator to every person who is placed upon the lists, and the notice states in what character or in respect of what liability he has been placed there. Any aggrieved contributory may apply to the court by summons, within twenty-one days of the service of the notice, to expunge his name from the list. The assets of the company, and not the liquidator personally, will be liable for the costs of a successful applicant.

CONTROLLER. (Fr. *Contrôleur*, Ger. *Kontrolleur*, Sp. *Registrador interventor.*)

A person who controls or checks the accounts of others by keeping a counter-roll or register.

CONVERTIBLE PAPER CURRENCY. (Fr. *Papier convertible*, Ger. *Konvertierbares Papiergeld*, Sp. *Papel convertible.*)

One that can be exchanged on demand for its full value in specie at the bank which issues it; for example, a Bank of England note.

The advantages of a paper currency when convertible at any moment are:—

(1) Paper can be more securely conveyed from place to place than coin or bullion, and the cost is less.

(2) There is a saving in the wear and tear of coins.

(3) As paper money is numbered or otherwise marked, it is more easily recovered, if lost or stolen, than coins.

(4) The labour and the probable mistakes in counting are avoided.

(5) There is a saving in the cost of coining.

CONVERTIBLE SECURITIES. (Fr. *Valeurs convertibles*, Ger. *Konvertierbare Papiere*, Sp. *Seguridades convertibles.*)

Securities that are easily sold or converted into money. Such are consols, exchequer bills, railway stock, etc.

CONVEYANCING. (Fr. *Translation de propriété*, Ger. *Abtretung, Umschreibung*, Sp. *Traspaso ó traslacion de dominio*)

The name given to that portion of the law which deals with the transfer of property from one person to another, and with the preparation of the documents and deeds which have reference to the same. The practice of conveyancing is concerned with the sale and purchase of interests in land, mortgages, leases, settlements, wills, partnership deeds, etc.

Before the passing of the Conveyancing Act, 1881, the law and practice connected with conveyancing was of an intricate and technical character, though much of its difficulty had been gradually removed during the fifty years preceding the passing of that Act. Formerly the work was in the hands of a special class of legal practitioners known as conveyancers. These have now almost disappeared, though a few barristers do still make a special study of the subject, and are employed in the drafting of important deeds. By statute the work of conveyancing is practically limited to barristers and solicitors, unless the work is done by any person gratuitously. By sect. 44 of the Stamp Act, 1891, it is provided:—

"Every person who (not being a barrister, or a duly certificated solicitor, law agent, writer to the signet, notary public, conveyancer, special pleader, or draftsman in equity), either directly or indirectly, for or in expectation of any fee, gain, or reward, draws or prepares any instrument relating to real or personal estate, or any proceeding in law or equity, shall incur a fine of fifty pounds.

"Provided as follows:—

(1) This section does not extend to—

(*a*) Any public officer drawing or preparing instruments in the course of his duty; or

(*b*) Any person employed merely to engross any instrument or proceeding.

(2) The expression 'instrument' in this section does not include—

(*a*) A will or other testamentary instrument; or

(*b*) An agreement under hand only; or

(*c*) A letter or power of attorney; or

(*d*) A transfer of stock containing no trust or limitation thereof."

This section is for the protection of the public; because, although the great difficulties have been removed, there still remain some intricate points in certain kinds of conveyancing with which no one but an expert can deal, particularly when the title to property is in question. As a solicitor is liable to pay damages to his client if he is proved to have been negligent in conducting any work entrusted to him, no one would think of permitting any person other than a solicitor to undertake conveyancing work in his behalf.

The scale of payments to be made for conveyancing are fixed by general orders issued under the provisions of the Solicitors' Remuneration Act, 1881. These are, of course, subject to the terms of any special agreement as to charges made between the solicitor and his client.

CO-OPERATION. (Fr. *Coopération*, Ger. *Kooperation*, Sp. *Cooperación.*)

The meaning of this word is working together, though it has latterly acquired a technical meaning in commerce, being used to express the distinctive principles upon which certain trading associations, called Co-operative Societies, are formed. The main objects of these societies are:—

(1) To avoid the conflicting interests of capital and labour.

(2) To reduce the cost of distribution of commodities to a minimum.

(3) To dispense with middlemen.

(4) To avoid the losses incidental to trading upon a credit system.

(5) To provide pure and unadulterated goods.

The co-operative movement has made great strides in the last few years, and the number of societies is now about 1,700 with a membership of 1,500,000.

COPYHOLD. (Fr. *Tenure en vertu de*

copie du rôle de la cour seigneuriale, Ger. *Zinslehen*, Sp. *Tenencia de tierras por censo ó por feudo*)

An estate or right of holding land for which the holder, who is called the copyholder (Fr. *Tenancier par copyhold*, Ger. *Zinspächter*, Sp. *Arrendador, Censalista*), can show no other title than the entry in the rolls of the manorial court made by the steward of the manor.

This tenure is of great antiquity. Originally the copyholders were nothing more than villeins, holding their lands at the will of the lord of the manor. But gradually they established a customary right to their estates, and copyholds are now but little distinguishable from freeholds, except that certain incidents are attached by custom, which vary with different manors, and the modes of conveyance and surrender are symbolical.

In Ireland there is no copyhold land, and the creation of copyhold tenure has been impossible in England since the reign of Edward I. Under certain conditions copyhold land may be enfranchised, and the holding turned into freehold, with all the incidents and customs of the manor destroyed.

When a copyholder becomes bankrupt his trustee may either disclaim the land, or deal with it as if it had been surrendered, and convey it to any person he may appoint, who is to be admitted or otherwise invested without any intervening admission on the part of the trustee himself.

COPYRIGHT. (Fr. *Droit d'auteur*, Ger. *Verlagsrecht*, Sp. *Derechos de autor.*)

The sole and exclusive liberty of printing or otherwise multiplying copies of an original work. The work may be literary, artistic, or musical. If it is musical or dramatic, the copyright includes the sole and exclusive privilege of public performance of the same.

At common law there was no copyright in literary publications after publication, though there was before. The result was that if a person produced a work of imagination or reasoning, he could restrain another from publishing it, if by any chance that other happened to become acquainted with it, but if the author once gave it to the world he had no remedy against any one who chose to pirate it. Various statutes were passed to remedy this glaring injustice, but the whole have been repealed and the law amended by the Copyright Act, 1842, which now governs the copyright in books, and in dramatic pieces or musical compositions. This Act has been extended, and in some parts amended, by the Customs Consolidation Act, 1876, and the Copyright (Musical Compositions) Act, 1882. Copyright in paintings, drawings and photographs is regulated by an Act of 1862, and that in engravings, prints and sculpture by two Acts of the reign of George III.

The duration of copyright in a book, which is a term of wide signification, if published during the lifetime of the author, is for the life of the author and seven years after his death, or for forty-two years from the first publication if the seven years sooner expire. If the book is published after his death the duration of the copyright is forty-two years from its first publication. In the case of articles or essays in reviews or magazines, the copyright generally belongs to the publisher for a period of twenty-eight years, after which it reverts to the author for the remainder of the period the copyright lasts. The duration of copyright in paintings, drawings and photographs is for the life of the author and seven years after his death; in engravings and prints, twenty-eight years from the date of publication; in sculpture, fourteen years from the first putting forth or publishing, with a further period of fourteen years if the author is still living.

The protection given by the various Copyright Acts is not confined to British subjects. The book, etc., must be published within the United Kingdom, though the privilege of copyright extends to the whole of the British dominions. No colony can pass an Act antagonistic to Imperial copyright.

Copyright is personal property, and belongs to the proprietor of the manuscript, original drawing, etc., and his assigns. It is the creature of statute, and is secured by publication. In the case of engravings and prints, the day of publication and the name of the proprietor must be engraved on the plate; and in the case of sculpture the name of the proprietor with the date must be put on the sculpture before it is put forth or published. The property is transferable by assignment in writing. No deed is necessary unless the assignment is of copyright in sculpture.

Copies of books after publication must be delivered to the Library of the British Museum, and, on demand, to the Bodleian Library at Oxford, the Public Library at Cambridge, the

Library of the Faculty of Advocates at Edinburgh, and the Library of Trinity College, Dublin.

By the Act of 1842 a register is kept at Stationers' Hall. This is similar to the registers of patents and trade marks. In it are entered all particulars as to the copyright, the names and addresses of the owners, notices of assignment, etc. The omission to register a book will not affect the ownership of the copyright, but the author or the assignee can take no legal proceedings for any infringement until registration has taken place. The fee payable on registration is 5*s*.

The Customs Laws Consolidation Act was passed in 1876 to prohibit the importation into the United Kingdom of books "wherein the copyright shall be first subsisting, first composed, or written or printed in the United Kingdom, or printed or reprinted in any other country, as to which the proprietor of such copyright or his agent shall have given to the Commissioners of Customs a notice in writing, duly declared that such copyright subsists, such notice also stating when such copyright will expire." Lists of all such books are exposed at the custom houses in the chief ports of the kingdom, and the Commissioners have full power to confiscate, destroy, or otherwise dispose of all books imported contrary to the above section of the statute.

In 1885, an International Conference was held at Berne, and a draft convention was agreed to for giving to authors of literary and artistic works, first published in one of the countries *parties to the convention*, copyright in such works throughout the other countries parties to the convention. By the eleventh article an arrangement was made by which authors in any of the countries of the Union or their lawful representatives could enjoy in the other countries for their works, whether published in one of those countries or unpublished, the rights which the respective countries did then or might thereafter grant to natives. The enjoyment of these rights was subject to the accomplishment of the conditions and formalities prescribed by law in the country of origin of the work, and could not exceed in other countries the term of protection granted in the said country of origin. It was also provided that the exclusive right of translation should be granted for ten years.

Under the Berne Convention Great Britain has copyright agreements with the following countries: France, Germany, Italy, Spain, Belgium, Switzerland, Norway, and Japan. There is a separate agreement with Austria-Hungary, signed in 1893. To secure the copyright in the countries of the Union no formality is necessary until steps are taken for producing works in the different countries, and then the formalities of each country must be considered.

In the United States an Act was passed in 1891 by which persons other than citizens of the States might obtain copyright there. But in order to do so the work must be published simultaneously in both countries, and the production in the United States must be from type set up in America, or plates manufactured there. There are also certain forms of registration which must be complied with. Their details should be left to the American publisher, or the agent.

The open sale of pirated musical works, that is, musical works written, printed, or otherwise produced without the consent of the owner of the copyright, and the small chance of any proper redress against the infringers, led to the passing of the Musical (Summary Proceedings) Copyright Act, which came into force on July 22, 1902. Under the Act a court of summary jurisdiction, upon the application of the owner of the copyright in any musical work, may act as follows: If satisfied by evidence that there is reasonable ground for believing that pirated copies of such musical work are being hawked, carried about, sold or offered for sale, the court may, by order, authorize a constable to seize such copies without warrant and to bring them before the court, and on proof that the copies are pirated an order may be made for their destruction or delivery up to the owner of the copyright, if he applies for such delivery. Further, if any person hawks, carries about, sells, or offers for sale any pirated copy of any musical work, every such pirated copy may be seized by any constable without warrant, on the request in writing of the apparent owner of the copyright in such work, or of his agent thereto authorized in writing, and at the risk of such owner. On seizure of any such copies they shall be conveyed by such constable before a court of summary jurisdiction, and, on proof that they are infringements of copyright, shall be forfeited or destroyed, or otherwise dealt with as the court may think fit.

CORDAGE. (Fr. *Cordage*, Ger. *Tauwerk*, Sp. *Cordaje.*)

A general term for cords or ropes.

CO-RESPONDENT. (Fr. *Codéfendeur*, Ger. *Mitangeklagter*, Sp. *Coparciente.*)

A joint respondent, or one who is concerned with another as defendant in a law-suit.

CORNER. (Fr. *Accaparement*, *corner*, Ger. *Corner*, *Kneife*, Sp. *Acaparamiento*, *corner.*)

This word is of American origin, and signifies the operations of a speculator or syndicate of speculators, by means of which the whole or the greater portion of a certain marketable commodity is drawn into the hands of the speculators, who are then in a position to dominate the market and fix their own prices. The process is not a difficult one, provided the speculators have sufficient capital at their disposal to buy up all possible supplies. Some corners have proved very successful, whilst others have been disastrous failures.

The principle of cornering is the same on the Stock Exchange. The promoters of a corner get into their hands the bulk of the shares issued by a certain company, and are then able to name their own prices before they will part with any. The "bears" are cornered when the securities they have sold are only obtainable from the persons to whom they have sold, who demand delivery, and are prepared to take up the securities purchased. There is often a combination on the part of "bulls" to buy up all the shares which the "bears" are selling, so that when these latter begin to cover, they have to pay a higher price than that at which they have sold. The "bulls" are then said to be "squeezing the bears." But if the "bulls" refuse to sell and demand delivery of the shares which they have purchased, the "bears" are said to be "cornered."

CORPORATION. (Fr. *Corporation*, Ger. *Korporation*, Sp. *Corporación.*)

A corporation is an artificial person created by the law and endowed by it with the capacity of perpetual succession. It consists of collective bodies of men or of single individuals; the first are called corporations aggregate, the second corporations sole. The existence of a corporation is constantly maintained by the succession of new individuals in the places of those who die or are removed.

A corporation is considered as a distinct individual from the persons composing it. It is not the members who compose it, but the property of the corporation which is liable for its debts. The members may, however, be compelled to contribute to its assets.

It is the creation of an Act of Parliament, or of a charter of incorporation granted by the Crown. In addition to its peculiarity of perpetual succession, it possesses a distinctive name and a common seal.

In every Act of Parliament the term "person" includes any corporation, unless there is a declaration to the contrary.

The capacity of a corporation to contract is subject to certain limitations. (See *Contract.*)

COSTA RICA. The most southerly of the republics of Central America. The area is 23,000 square miles, and the population is about 300,000. The principal exports are coffee, mahogany and bananas. The imports comprise dry goods, hardware, provisions, and machinery. The capital is San José, and the chief ports are Punta Arenas, on the Pacific, and Port Limon, on the Atlantic.

There are British consular representatives at Guatemala, Port Limon, and Punta Arenas, and Costa Rica has a Consul-General in London, and consuls or vice-consuls at Birmingham, Cardiff, Falmouth, Glasgow, Hull, Liverpool, Manchester, Nottingham, Southampton, and Swansea.

Mails are despatched once a fortnight, the regular route being via Southampton. San José is 5,687 miles distant from London. The time of transit is about twenty days. Telegrams cost 4*s.* 2*d.* per word.

COST AND FREIGHT. (C. & F.) (Fr. *Coût et fret*, Ger. *Kost und Fracht*, Sp. *Costo y flete.*)

Goods which are sold under this arrangement are not insured, but the price includes cost and freight only.

COST BOOK PRINCIPLE. (Fr. *Principe du livre des charges*, Ger. *Kostenbuchprinzip*, Sp. *Responsabilidad no limitada.*)

This is the plan used in conducting mines in some parts of the country. The receipts and expenditure are kept closely posted, and the books are frequently balanced for the purpose of distributing profits, or of raising further capital, as the case may be, a meeting of those interested being called at stated intervals for that purpose. The shareholders in mines conducted on the cost book principle are usually entitled to

withdraw from the concern at any time they please, provided they have paid up their proportion of the existing liabilities. When this has been done the names are struck off the book.

COST, FREIGHT, AND INSURANCE. (C.F.I.) (Fr. *Coût, fret, et assurance*, Ger, *Kost, Fracht, und Assekuranz*, Sp. *Costo, flete y seguro.*)

The price charged for goods when insurance is added to cost and freight.

COULISSE. (Fr. *Coulisse, Petite Bourse*, Ger. *Coulisse*, Sp. *Bolsin.*)

The unofficial market on the Paris Bourse, consisting in the main of high-class firms and arbitrage houses. It is a much larger organization than the *agents de change*, or official members in the Parquet, but it is less responsible. The members are called "Coulissiers."

COUNCIL DRAFTS. (Fr. *Traites indiennes*, Ger. *indische Tratten*, Sp. *Pagarés del Gobierno.*)

Drafts issued by the English Government upon the Indian Government, and payable at the banks of India. They are issued to prevent the frequent transmission of bullion from the one country to the other.

COUNTING-HOUSE. (Fr. *Bureau*, Ger. *Kontor*, Sp. *Despacho.*)

The house or room specially appropriated by merchants, traders, and manufacturers to the purpose of keeping their books, accounts, letters, and papers.

COUNTRY CLEARING. (Fr. *Virement*, Ger. *Abrechnung der Provinzbanken*, Sp. *Oficina de liquidación de provincias.*)

The system by which a country banker sends all cheques and drafts paid into his bank to his London agent for the purpose of collection, instead of sending each cheque or draft to the particular bank upon which it is drawn. (See *Bankers' Clearing House.*)

COUNTRY NOTES. (Fr. *Billets de banque de province*, Ger. *Banknoten der Provinzialbanken*, Sp. *Billetes de Banco de provincia.*)

Bank notes issued by any bank of issue, payable on demand, except the Bank of England.

COUPON. (Fr. *Coupon*, Ger. *Koupon*, Sp. *Cupone.*)

A cheque, or other piece of paper, cut off from its counterpart. It is derived from the French, *couper*, to cut. In a special sense coupons are warrants for interest payable on debentures. They are attached in a sheet to the bonds, cut off as they fall due, half-yearly or at other intervals, and presented at the place indicated for payment. All coupons in Great Britain must now bear a penny stamp.

COUPON SHEET. (Fr. *Feuille de coupons*, Ger. *Kouponsbogen*, Sp. *Lámina de cupones.*)

A connected series of coupons given in advance with transferable bonds, in order that that they may be cut off from time to time and presented for payment as the dividends fall due. The last portion of a coupon sheet is a form of certificate, called a "talon," which can be exchanged for a further series of coupons as soon as those on the coupon sheet have all been presented.

COVER. (Fr. *Couverture*, Ger. *Deckung*, Sp. *Depósito.*)

A deposit of money or marketable securities, such as bonds, scrip, certificates, etc., with a lender as a security for a loan, generally with a margin in value, to insure him against the risk of loss in the event of the default of the borrower. The term is most commonly applied to the deposit required by stock-brokers before entering into speculative transactions on behalf of a client. It is sometimes called "margin."

COWRY. (Fr. *Cauris*, Ger. *Kauri*,, Sp *Moreta.*)

In the East Indies, and in many parts of Africa, the shells of one, the species *c. moreta*, about an inch long, are used as a substitute for coin, the value in India being about one thirty-sixth of a farthing.

CRANAGE. (Fr. *Droit de grue*, Ger. *Krangeld*, Sp. *Derechos de grua, ó pescante.*)

The charge made at certain seaports for the hire of a crane when used for loading or unloading such goods from a ship as are too heavy for the ordinary tackle on board, or a charge made by dock companies for using their cranes for any purpose whatever.

CREDIT. (Fr. *Crédit*, Ger. *Kredit*, Sp. *Crédito.*)

In Political Economy, the lending of wealth or capital by one individual to another, the lender being said to give, and to borrower to receive, credit.

In banking a credit is an entry in a banker's books, showing that a customer has a deposit, or deposits, with the banker.

In book-keeping a credit is an entry showing that the person named has a right to demand something, not necessarily money.

In commerce credit generally means that a bargain has been agreed upon

between two parties, one of whom, the seller, hands over certain goods to the other, the buyer, conditionally upon receiving his promise to pay in a certain definite time. At the end of this specified time, the seller becomes the creditor, and the buyer the debtor, if the money is not paid; and the former has a right of action against the latter which he can put into force. Credit has hence been defined as a "right of action against a person for a sum of money."

CREDIT FONCIER. (Fr. *Crédit Foncier*, Ger. *Bodenkreditanstalt*, Sp. *Credit Foncier.*)

The meaning of this term is "credit on lands." The Credit Foncier is an institution in France, established by an edict of February, 1852, the object of which is to supply landed proprietors with the means of carrying out improvements by granting them loans of money on the security of their lands, to be repaid by equal instalments, so as to extinguish the debt within a certain period. On this principle certain societies have been formed in France, with the authority of the Government, subject to certain conditions, and endowed with certain privileges. Their regulations are precisely defined by law, and they are not allowed to advance more than half the value of the property pledged or hypothecated. Similar companies had been established in Hamburg in 1782, and in Western Prussia in 1787. In more recent times the plan has been followed in other countries.

CREDIT INDUSTRIEL. (Fr. *Crédit Industriel*, Ger. *Kreditverein*, Sp. *Crédito-Industrial.*)

A commercial society established at Paris, in 1858, under the sanction of the Government, for the purpose of making advances, for a limited period, to persons engaged in industrial pursuits, on goods, shares, bills, bonds, etc., to the extent of two-thirds of their marketable value. The liability of the shareholders is limited to the amount of their shares. The capital is 60,000,000 francs (£2,400,000), divided into 12,000 shares of 500 francs each.

CREDIT, LETTER OF. (Fr. *Lettre de crédit*, Ger. *Kreditbrief*, Sp. *Carta de crédito.*)

In banking, a letter addressed by one person or firm to another, requesting the latter to pay to a third person the amount named in it, and debit it to the account between the parties, or draw on the first party for the amount.

A Circular Letter of Credit is one addressed to several bankers or merchants residing at different places.

CREDIT MOBILIER, SOCIETE GENERALE. (Fr. *Crédit Mobilier*, Ger. *Mobiliarbank*, Sp. *Crédito Mobiliario.*)

The name of a society established in France in 1852, upon the principle of limited liability, under the sanction of the Government. The capital was fixed at 60,000,000 francs (£2,400,000), divided into shares of 500 francs each, The operations of the society are directed principally into three fields:—

(1) To aid the progress of public works, and promote the development of national industry—making railways, managing gas companies, and, in fact, becoming a kind of universal trading association.

(2) For the buying up of shares and bonds of existing societies and companies, for the purpose of consolidating them into one common stock.

(3) For the transaction of general banking and brokerage operations.

The funds for the carrying out of these diverse operations are the capital of the company, and the deposits received by the society from the public.

CREDIT NOTE. (Fr. *Note de crédit*, Ger. *Kreditnote*, Sp. *Nota de crédito.*)

A document similar in form to an invoice which is an advice, acknowledgment, or admission of indebtedness by a debtor to his creditor. The term is used in the commercial world in connection with the note of allowance made by a seller in respect of goods returned, short weight, reduction of price, packages, etc.

CREDITOR. (Fr. *Créancier*, Ger. *Gläubiger*, Sp. *Acreedor.*)

One who gives credit to another, or believes or trusts in him. Commercially the term denotes a person to whom a sum of money is due.

CREDIT SALES. (Fr. *Ventes de crédit*, Ger. *Verkäufe auf Kredit*, Sp. *Ventas á crédito.*)

Sales for which the time of payment is postponed. The purchaser is entered in the vendor's books as a debtor, and the price of the goods is a book debt.

CUBA. (See *United States.*)

CUM DIVIDEND. (Fr. *Dividende compris*, Ger. *inklusive Dividende*, Sp. *Dividendo incluso.*)

With the dividend that is due or accruing. When stock or shares are thus sold the buyer takes the benefit of the dividend that has to be distributed.

When they are sold "ex div.," the seller disposes of the securities, but retains the dividend upon them for himself.

CUM DRAWING. (Fr. *Tirage compris*, Ger. *inklusive Ziehung*, Sp. *Obligaciones con sorteo.*)

This term is used when bonds are dealt in at or near the time when a drawing takes place. It means that the securities are sold with any benefits that may arise from the drawing, and if the bonds are drawn for repayment at par, or at a premium, the buyer receives the profit.

CUM NEW. (Fr. *Nouvelle émission comprise*, Ger. *mit Bezugsrecht auf junge Aktien*, Sp. *Nueva emisión inclusa.*)

This signifies the right to claim any new shares or new issues of stock about to be issued in virtue of present holdings. Joint-stock companies, when increasing their capital, sometimes offer a number of new shares to each of the existing proprietors, and as such shares usually command a premium in the open market, shareholders often sell their right to the allotment by signing a letter of renunciation in the buyer's favour, by which means the former would secure the premium on the new shares without incurring any liability with respect to them. The original shares, if dealt in about that time, and sold with the right to claim the allotment of the new shares, would be quoted "cum new."

CUMULATIVE PREFERENCE STOCK AND SHARES. (Fr. *Actions privilégiées cumulatives*, Ger. *Aktien mit hinzugefügten Dividenden*, Sp. *Valores cumulativos de prioridad.*)

These are securities upon which, if the guaranteed dividend cannot be paid in any one year, or any series of years, the dividend accumulates until it can be paid. Such accumulated dividend is entitled to payment before any dividend is paid, either on the preference or ordinary shares in any succeeding year, the revenue for any year being first applied to payment of dividend for the current year, and then to payment of the arrears, commencing with those of the nearest years.

CURRENCY. (Fr. *Monnaie légale*, Ger. *Währung*, Sp. *Moneda Legal.*)

The circulating medium of a country, by means of which sales and purchases are effected without having recourse to barter. Among savage nations various kinds of articles have been used as a circulating medium, but as nations became more civilized, the precious metals, particularly gold and silver, came generally to be employed. As trade advanced, however, and commercial transactions became large and frequent, metal money was found to be inconvenient, and recourse was had to a paper currency.

The authorized coinage of the United Kingdom consists of the following coins. Some of these are only issued *on special occasions.*

Coins.	Standard Weight. Grains.	Least Current Weight. Grains.	Remedy of Weight. Grains.
Gold :—			
Five Pound	616.37239	612.500	1.000
Two Pound	246.54895	245.000	0.400
Pound .	123.27447	122.500	0.200
Half-Sov. .	61.63723	61.125	0.150
Silver :—			
Crown . .	436.36363	—	2.000
Dble. Florin	349.09090	—	1.678
Half-Crown	218.18181	—	1.264
Florin . .	174.54545	—	0.997
Shilling . .	87.27272	—	0.578
Sixpence .	43.63636	—	0.346
Groat or 4*d.*	29.09090	—	0.262
Threepence.	21.81818	—	0.212
Twopence .	14.54545	—	0.144
Penny .	7.27272	—	0.087
Bronze :—			
Penny .	145.83333	—	2.91666
Halfpenny .	87.50000	—	1.75000
Farthing .	43.75000	—	0.87500

The remedy of weight is the amount of variation allowed in the fineness and weight of the coins when they are first issued from the Mint.

Standard gold contains eleven-twelfths of fine metal and one-twelfth of alloy, i.e., 22 carats fine, with 2 carats of alloy. Its fineness is represented by 916.6. Twenty troy pounds of standard gold are coined into 934 sovereigns and one half-sovereign, and one troy ounce is intrinsically worth £3 17*s.* 10½*d.* One ounce of pure gold is of the value of £4 4*s.* 11½*d.*

Standard silver consists of thirty-seven parts of pure silver, and three parts of alloy. Its fineness is represented by 925. One troy pound of standard silver is coined into 66 shillings.

Bronze is an alloy composed of ninety-five parts of copper, four parts of tin, and one part of zinc. (See *Par of Exchange, Tender.*)

CURRENCY BONDS. (Fr. *Bons américains*, Ger. *amerikanische Obligationen*, Sp. *Bonos Americanos.*)

Bonds issued by various American railway companies, the principal and

interest being payable in the United States currency, that is, it is optional whether the bonds are paid in paper, silver, or gold.

CURRENCY OF A BILL. (Fr. *Temps à courir*, Ger. *Laufzeit eines Wechsels*, Sp. *Transcurso de una letra.*)

The period between the date upon which a bill is drawn and that upon which it becomes due. When a bill is payable after sight the currency begins from the date of acceptance; when drawn after date, from the date of the bill.

CURRENT ACCOUNT. (Fr. *Compte courant*, Ger. *Kontokorrent*, Sp. *Cuenta corriente.*)

A term used in banking to signify the amount of money lodged by a person at a bank, which can be withdrawn or added to at any time, with or without interest.

CUSTOM HOUSE. (Fr. *Douane*, Ger. *Zollamt, Zollhaus*, Sp. *Aduana.*)

The place appointed by the Government for the imposition and collection of duties upon the importation or exportation of certain commodities.

CUSTOMS BILLS OF ENTRY. (Fr. *Reports maritimes*, Ger. *tägliche Berichte der Zollbehörde*, Sp. *Declaraciones de aduana.*)

Daily lists issued by the Customs' authorities (to merchants and others subscribing), containing a summary of British shipping, useful for general information.

Bill "A" shows the ships' reports inwards, and contains a full list of the cargo in each of the different boats, classed under the various ports at which the vessels have arrived.

Bill "B" shows the exports, imports, and general shipping in the country. It gives a full list of all exported and imported goods, classed under their different headings, and enumerates the various ships arrived, those loading, and those leaving port.

CUSTOMS DEBENTURE. (Fr. *Certificat de prime*, Ger. *Rückzoll*, Sp. *Certificado de obligación hipotecaria.*)

A certificate issued by the officers of customs that certain goods entitled to drawback have been entered and shipped for exportation. On it the exporter declares, in the presence of the official through whom the money is paid, that the goods have been actually shipped and are not intended to be relanded in the United Kingdom, and that he is entitled to the drawback claimed.

CUSTOMS DECLARATION. (Fr. *Déclaration en Douane*, Ger. *Zollinhalts-Erklärung*, Sp. *Declaración de Aduana.*)

The sender of every parcel by post to or from the Channel Islands, any British colony or foreign country, is required to make out a Customs Declaration on a form provided for that purpose. This form must contain an accurate statement of the nature and value of the contents of the parcel, the date of postage and the nett weight of the articles contained in the parcel. If the parcel is destined to the continent of Europe, the Customs Declaration should be filled up in French and English, and accompanied by a Despatch Note.

CUSTOMS ENTRY. (Fr. *Déclaration à l'entrée*, Ger. *Zolldeklaration*, Sp. *Declaración de entrada.*)

A list given to the Customs authorities by the importer or shipper, showing the weight, value, and description of goods to be landed or shipped. (See *Entry.*)

CUSTOMS AND EXCISE DUTIES. (Fr. *Droits de douane et droits d'accise*, Ger. *Zölle und Steuern*, Sp. *Derechos de Aduana y sisa.*)

The duties or taxes imposed upon goods entering the country are called "customs duties," while those imposed upon goods at the time of their manufacture in the country are known as "excise duties." Both form important parts of the national revenue, and are levied by Boards of Customs and Excise, each having a small army of officers to impose and collect the duties, while a custom house is to be found in every principal seaport.

Customs and excise duties fall, in the first instance, on the merchant and manufacturer, but as they raise the price of commodities, they are ultimately paid by the consumer.

For the accommodation of merchants there are large storehouses and vaults established at various parts of the country, called bonded warehouses, where goods subject to duty are allowed to remain until it is found convenient to remove them and pay the duties. Until they are removed, therefore, goods in bond, as it is called, can hardly be said to be imported, being in the same condition as goods lying in a foreign port. (See *Warehousing System.*)

CUSTOMS TARIFF. (Fr. *Tarif de douane*, Ger. *Zolltarif*, Sp. *Arancel aduanero.*)

A list of the various articles that are liable to pay duty on importation.

In the year 1840 over a thousand articles paid customs duties in this country. The number has been gradually reduced, so that there are not more than about fifty on the list at the present time. These are liable to variation and alteration by Act of Parliament whenever the exigencies of the Exchequer demand it.

The chief of the articles upon which duties are charged are imported beers, playing cards, chicory, chloroform and similar spirits, cocoa, coffee, collodion, ethers, dried fruits, methylic alcohol (purified), naphtha (purified), spirits, liqueurs and cordials, tea, tobacco, cigars and snuff, varnish, wines.

CYPRUS (BRITISH). *Description.*—Cyprus is an island in the eastern Mediterranean, having an area of nearly 3,600 square miles, and a population of over 200,000 people, nearly four-fifths of whom are Greeks. The capital is Nicosia, or Lefkosia, near the centre. Population, 12,000. Larnaka possesses the only useful harbour.

Productions.—The principal productions are grain, sesame, linseed, wine, silk, olives, locust-beans, cotton, wool, hides, and sponges.

The imports from Cyprus into the United Kingdom are of the annual value of £120,000, the exports from the United Kingdom to the island being equal in value to about one-half of that sum.

There is a regular despatch of mails every Friday. The distance is rather more than 3,000 miles, and the time of transit eight days. Telegrams cost 1*s.* 7*d.* per word.

D. This letter occurs in the following abbreviations :—

D/B, Day-book.
Dbk., Drawback.
d/d, Day's date.
Dft., Draft.
Dis., Discount.
Div., Dividend.
Dr., Debtor.
d/s, Days' sight.

DANDY NOTE. (Fr. *Ordre de livraison*, Ger. *Lieferungsschein*, Sp. *Orden de entrega.*)

A delivery order from the custom house, requesting the warehouse officer to deliver to the searcher certain bonded or drawback goods named therein when they are required for exportation or ship's stores. The document is filled in by the exporter, and then passed at the office of the Comptroller of Accounts. A "picking note" is generally combined with a dandy note, the former serving as a shipping order for goods.

DAY BOOK. (Fr. *Journal*, Ger. *Tagebuch*, Sp. *Diario.*)

This name is often applied, though incorrectly, to the Waste Book, as being a record of the daily transactions of a business. In book-keeping it means the Sales Book, wherein are entered the sales on credit in chronological order. The Invoice Book, or that book in which credit purchases are recorded, is also sometimes called a Day Book.

DAY TO DAY LOANS. (Fr. *Emprunts de jour en jour*, Ger. *Geld auf tägliche Kündigung*, Sp. *Préstamo de dia en dia.*)

Sums of money borrowed by bill-brokers, stock-brokers, and others at a fixed rate of interest for a single day, but the amounts may be renewed from day to day if both borrower and lender agree to continue the loan. These loans are sometimes referred to as "Day to Day Accommodations."

DAYS OF GRACE. (Fr. *Jours de grâce*, Ger. *Fristtage*, Sp. *Dias de gracia.*)

(1) The time of indulgence allowed to an acceptor for payment of a bill of exchange, or promissory note. No bill of exchange or promissory note, except those payable on demand, or at sight, is really payable in the United Kingdom until three days after its due date. (See *Bill of Exchange.*)

Where a bill is drawn in one country and is payable in another, the date of payment is calculated according to the law of the country in which the bill is payable. If, therefore, an English bill is payable in a country which does not allow days of grace, the date of payment is fixed by the instrument, but if a foreign bill is payable in England, three days of grace are allowed, unless it is a bill of the class which does not allow days of grace.

(2) The time of indulgence allowed for the payment of insurance premiums after they have become due. (See *Insurance.*)

DEAD ACCOUNT. (Fr. *Compte fictif*, Ger. *Konto eines Toten, Sachkonto*, Sp. *Cuenta imaginaria.*)

In banking, a term used to denote the money, stock, or other securities standing to the credit of a person deceased. In book-keeping, an account which deals with things as distinguished from persons, such as petty cash account, charges account, goods account, etc.

DEAD FREIGHT. (Fr. *Faux fret*, Ger. *Fautefracht*, Sp. *Flete muerto.*)

The sum paid for the empty space in a ship by a person who engages to load the vessel, but fails to make up a full cargo.

DEAD LETTER. (Fr. *Lettre mise au rebut, lettre morte*, Ger. *unbestellbarer Brief*, Sp. *Carta sin reclamar.*)

An undelivered and unclaimed letter, or one which has lost its force by lapse of time.

DEAD LETTER OFFICE. (Fr. *Bureau des rebuts*, Ger. *Abteilung für unbestellbare Briefe*, Sp. *Oficina de cartas detenidas.*)

The department of the General Post Office, also called the Returned Letter Office, situated at Mount Pleasant, London, E.C., where undelivered letters are opened and returned to the senders, or otherwise disposed of.

DEAD LIGHT. (Fr. *Faux mantelet (de sabord)*, Ger. *Blenden der Kajütenfenster*, Sp. *Tapa de refuerzo.*)

The iron shutter which covers the port-hole of a ship.

DEAD LOANS. (Fr. *Emprunts irrécouvrables*, Ger. *tote Anleihen*, Sp. *Préstamos indefinidos.*)

Loans which have not been paid at the time agreed upon, or loans for which there is no specified time for payment.

DEAD RECKONING. (Fr. *Estime*, Ger. *Gissung*, Sp. *Estimación.*)

The calculation made of a ship's position by means of the compass and log line—the former serving to point out the course on which the vessel sails, the latter the actual distance run. By making proper allowances for the variations of the compass, currents, etc., it is possible to ascertain the position fairly well in any part of the world, without any observations of the sun or stars.

DEAD SECURITY. (Fr. *Mobilier mort*, Ger. *tote Sicherheit*, Sp. *Bienes sin valor, adelantos especulativos.*)

An expression given by financiers to collieries, mills, manufactories, landed property, mines, machinery, and such properties which are worthless as a security unless they are worked.

DEAD WEIGHT. (Fr. *Poids mort*, Ger. *Schwergewicht*, Sp. *Peso muerto.*)

That portion of a ship's cargo which pays according to its weight, and not according to measurement, as coal, iron, etc. All vessels must carry a certain portion of dead weight either as cargo or as ballast to insure their stability.

DEAR MONEY. (Fr. *Cherté de l'argent*, Ger. *Geld knapp*, Sp. *Dinero escaso, caro.*)

Money is said to be dear when the floating supply of gold is scarce, and advances cannot be obtained, even on good securities, except at a high rate of interest, owing to the pressure in the money market, or a high bank rate.

DEATH DUTIES. (See *Estate Duty, Legacy and Succession Duty.*)

DEBENTURE. (Fr. *Obligation*, Ger. *Schuldschein, Obligation*, Sp. *Obligación.*)

A security given by a joint-stock company for money raised in addition to the capital subscribed by the shareholders. In form it is a charge or mortgage upon the undertaking or property of the company, bearing a fixed rate of interest, and either repayable within a fixed term of years or irredeemable during the existence of the company. A person to whom the interest and the principal money are secured is called a debenture-holder.

The above is what is commonly understood by the use of the word, but in common language debenture has acquired a much wider meaning. The absence of a precise definition has been judicially commented upon. Chitty J. said: "I cannot find any precise legal definition of the term. It is not either in law or commerce a strictly technical term, or what is called a term of art." Debenture has been applied to describe such an instrument as a railway mortgage or bond, and also a personal security, e.g., the Tichborne Bonds. The last-named, however, can have little or nothing in common with a debenture secured by mortgage, either from the point of value or from the point of the legal rights and remedies available to the debenture-holder.

Debenture is sometimes distinguished from debenture stock. In reality the holders of each stand very much in the same position. The difference is mainly in the mode of transfer. Ordinarily debenture bonds are only transferable in their entirety; debenture stock may be transferred in whole or in part, provided that such part does not involve a fraction of a stated amount. Stock is frequently made transferable in multiples of £10. There are also other peculiarities of transfer, the object being to secure identification.

There are many varieties of debentures, but two broad divisions stand out prominently:—

(*a*) Mortgage debentures, which give a charge upon the whole or a portion of the assets of the company;

(*b*) Debentures which give no such charge, and merely amount to a promise

to pay on the part of the company. The former are much more common than the latter. Another classification is as follows :—

(*a*) Debentures payable to a registered holder.

(*b*) Debentures payable to bearer simply.

(*c*) Debentures payable to a registered holder, but with interest coupons payable to bearer.

(*d*) Debentures payable to bearer, but with power for the bearer to have them placed on a register and to have them at any time withdrawn therefrom. The first and third classes are generally known as "registered debentures," the second and fourth as "debentures to bearer." It has been held by the courts, in two very recent cases, that debentures to bearer of limited companies are negotiable instruments in the full sense of the term, by the general custom of merchants.

The document which is the security of the debenture holder sets out the terms of the contract entered into between the parties, and the conditions are invariably indorsed upon it. The precise form will depend upon the nature of the business carried on by the company, and the peculiar circumstances of each case.

Registered debentures are expressed to be payable to the registered holders of the same. If any change of ownership is to take place, they must be transferred as shares or stock, and the instrument of transfer must also be registered with the company. Debentures to bearer are payable to the bearer thereof, and are transferable by delivery. No holder is registered, and therefore the transfer stamp duty is avoided. But, on issue, debentures to bearer must be stamped at the rate of 10*s.* per cent. on the amount secured by them, whereas registered debentures, being liable to transfer duty, are only stamped at the rate of 2*s.* 6*d.* per cent.

For the greater security and protection of the debenture-holders the property of the company is frequently conveyed by way of mortgage to trustees to be held in trust for the holders. The deed by which this is effected is called a "covering" or a "trust" deed. If such a deed is in existence the debentures themselves should contain a condition incorporating its terms by reference. If property is comprised in the deed, other than freeholds or leaseholds, such as stock-in-trade, book debts, etc., it is the usual thing to make it subject to what is called a "floating charge." Such a charge allows the company to deal with its moveable property in the ordinary course of business, so long as it is a going concern, which it could not strictly do in the absence of the charge. But as soon as a receiver is appointed, or the business of the company comes to a standstill, or there is a winding-up, the charge crystallizes and becomes enforceable. A learned authority has said of a floating charge that it "is an equitable charge on the assets for the time being of a going concern. It attaches to the subject charged in the varying conditions in which it happens to be from time to time. It is of the essence of such a charge that it remains dormant until the undertaking charged ceases to be a going concern, or until the person in whose favour the charge is created intervenes. His right to intervene may of course be suspended by agreement. But if there is no agreement for suspension he may exercise his right whenever he pleases after default." Thus, for instance, when a company is carrying on business, and no receiver has been appointed or winding-up order made, the fact that there is a floating charge does not give the debenture holder the right to require that any particular debt owing to the company shall be paid to him. And again, if a debt owing to the company has been garnisheed, the garnishee cannot refuse to pay the judgment creditor because he is aware that the company has issued debentures.

All debentures must be entered in the register of the company, but they are expressly excluded from registration as bills of sale. The subject of registration is thus dealt with in section 14 of the Companies Act, 1900 :—

(1) Every mortgage or charge created by a company after the commencement of this Act, and being either—

(*a*) A mortgage or charge for the purpose of securing any issue of debentures ; or

(*b*) A mortgage or charge on uncalled capital of the company ; or

(*c*) A mortgage or charge created or evidenced by an instrument which, if executed by an individual, would require registration as a bill of sale ; or

(*d*) A floating charge on the undertaking or property of the company,

shall, so far as any security on the company's property or undertaking is

thereby conferred, be void against the liquidator and any creditor of the company, unless filed with the registrar for registration in manner required by this Act within twenty-one days after the date of its creation, but without prejudice to any contract or obligation for repayment of the money thereby secured.

(2) Where the mortgage or charge comprises property outside the United Kingdom, it shall, so far as that property is concerned, be sufficient compliance with the requirements of this section, if a deed purporting to specifically charge such property be registered notwithstanding that further proceedings may be necessary to make such mortgage or charge valid or effectual according to the law of the country in which such property is situate.

(3) The registrar shall keep, with respect to each company, a register in the prescribed form of all such mortgages and charges created by the company after the commencement of this Act, and requiring registration under this section, and shall, on payment of the prescribed fee, enter in the register, with respect to every such mortgage or charge, the date of creation, the amount secured by it, short particulars of the property mortgaged or charged, and the names of the mortgagees or persons entitled to the charge.

(4) Provided that where a series of debentures containing any charge to the benefit of which the debenture holders of that series are entitled *pari passu* is created by a company, it shall be sufficient to enter on the register—

(*a*) The total amount secured by the whole series ; and

(*b*) The dates of the resolutions creating the series and of the covering deed, if any, by which the security is created or defined ; and

(*c*) A general description of the property charged ; and

(*d*) The names of the trustees, if any, for the debenture holders.

(5) Where more than one issue is made of debentures in the same series, the company may require the registrar to enter on the register the date and amount of any particular issue, but an omission to do this shall not affect the validity of the debentures issued.

(6) The registrar shall give a certificate under his hand of the registration of any mortgage or charge registered in pursuance of this section, stating the amount thereby secured (which certificate shall be conclusive evidence that the requirements of this section as to registration have been complied with), and the company shall cause a copy of the certificate so given to be indorsed on every debenture or certificate of debenture stock which is issued by the company, and the payment of which is secured by the mortgage or charge so registered.

(7) It shall be the duty of the company to register every mortgage or charge created by the company and requiring registration under this section, and for that purpose to supply the registrar with the particulars required for registration ; but any such mortgage or charge may be registered on the application of any person interested therein.

(8) The register kept, in pursuance of this section, of the mortgages and charges of each company shall be open to inspection by any person on payment of the prescribed fee, not exceeding one shilling for each inspection.

(9) Every company shall cause a copy of every instrument creating any mortgage or charge requiring registration under this section, to be kept at the registered office of the company, and to be open to inspection by the members and creditors of the company on payment of such fee, not exceeding one shilling for each inspection, as may be fixed by the regulations of the company. Provided that in the case of a series of uniform debentures a copy of one such debenture shall be sufficient.

Failure to keep a proper register of mortgages and charges renders the directors liable to heavy penalties. Its existence is of great value to the public, and its contents make clear the nature and the order of the secured debts of the company. The register was established by the Act of 1862, but as it was held that failure to register mortgages and charges did not invalidate those mortgages and charges, it did not serve a useful purpose until the passing of the Act of 1900, which made void every charge not entered therein.

The power to borrow upon debentures is generally provided for by the Memorandum or Articles of Association, though it is sometimes implied. If both are silent upon the subject a special resolution is necessary before debentures can be issued.

The rights of a debenture holder who has a charge upon the property of a company are—

(1) To sue for repayment of the prin-

cipal and any interest which is owing.

(2) To present a winding-up petition against the company.

(3) To prove for the debt in the winding-up.

(4) To appoint a receiver.

The last of these is that most frequently resorted to by the debenture holder; because a company may be merely in temporary difficulties from which a little judicious management may extricate it. And it will almost always be the fact that the security is good enough to allow of the business of the company being carried on without any undue risk to that security.

A debenture holder is a secured creditor, and therefore is preferred, as far as his security goes, to the general creditors of the company. But the payments which are to be made by reason of the Preferential Payments in Bankruptcy Amendment Act, 1897, must be met before any of the assets realized by the receiver, or otherwise, are distributed amongst the debenture holders. (See *Preferential Payments.*)

DEBENTURE BONDS. (Fr. *Obligations amortissables*, Ger. *Obligationen*, Sp. *Obligaciones amortizables.*)

Debentures that are usually redeemable at the end of a specific time.

DEBENTURE STOCK. (Fr. *Obligations irremboursables*, Ger. *Schuldverschreibungen*, Sp. *Obligaciones irredimibles.*)

Debentures that are usually irredeemable, and transferred by deed of assignment.

DEBIT NOTE. (Fr. *Note de débit*, Ger. *Debetnote*, Sp. *Nota de débito.*)

When a firm returns goods, owing to some imperfection, or corrects an overcharge, it is usual to send a debit note, or invoice. In such cases a credit note should be received.

DEBT. (Fr. *Dette, créance*, Ger. *Schuld*, Sp. *Denda.*)

A sum of money owed by one person to another, which is fixed in amount. In law the term debt has frequently a wider meaning, and may include an amount which remains to be ascertained by future valuation.

Debts are divided into three classes, debts of record, specialty debts, and simple contract debts. A debt of record is one which a creditor can enforce as a judgment of a court of record against a judgment debtor, by means of execution against his goods, or an order for committal, or proceedings in bankruptcy. Such a debt is final and cannot be disputed. A specialty debt is one by which a sum of money is acknowledged to be due by deed or an instrument under seal. Such a debt can be sued for within twenty years of the execution of the deed, and requires no consideration to support it. A simple debt is one that is not a debt of record or a specialty debt. It is created by a writing not under seal, by word of mouth, or by conduct. The right of action upon a simple contract debt is barred by the Statute of Limitations within six years of the right accruing.

It is the duty of a debtor to seek out his creditor and pay him. The creditor is not under any obligation to make any demand before bringing an action for the recovery of the amount. But unless he brings his action within six or twenty years, according as the debt is a simple or a specialty one, the creditor cannot legally enforce his claim. The Statute of Limitations is against him. A debtor may, however, preclude himself from setting up the statute if he has paid anything in respect of the debt, allowed interest for the same, or given some signed acknowledgment of indebtedness within the six or twenty years, as the case may be, of action being brought.

A difficulty often arises when the debtor is beyond the seas, or out of the jurisdiction. If the debtor departs from England before the right to demand payment has accrued, the Statute of Limitations does not run in his favour, that is, the creditor can sue him upon his return, no matter how many years he may have been away. But if the right has accrued before the debtor departs, the statute commences to run, and nothing can stop it doing so. The only remedy open to the creditor is to issue a writ, which stands good for twelve months, and then to renew it continually, until it can be served upon the debtor. In certain cases a debtor can be served abroad, and judgment may be signed against him. But this right is very strictly guarded. (See *Conflict of Laws.*)

In the settlement of a debt there must be accord and satisfaction. The agreement of one party to take a sum less than the amount due from another is incomplete, seeing there is no consideration for the abandonment of the remainder. But if payment is made in anything else than in money it is held that there is complete satisfaction as well as accord. Thus, if a creditor accepts £5 in payment for a debt of £20,

he does not abandon his right to sue for the remaining £15, since there is no consideration for the relinquishment of the claim. But if he accepts something else, such as a cheque or a bill of exchange, or even some chattel, there is complete accord and satisfaction, and the debt is extinguished.

When a creditor is unable to obtain prompt payment of a debt, it is a general custom to employ an agent or a solicitor to do the work of collection. The person employed for this purpose is the agent of the creditor, and although it is the rule for the collector to demand payment of costs and expenses from the debtor, in addition to the amount of the claim, such an additional payment is not enforceable by law. It is the creditor alone who is responsible for any expenses which are incurred.

When action has to be taken, a creditor should proceed in a county court if the amount is less than £20, and in the High Court if the claim exceeds £50. Between £20 and £50 proceedings ought to be taken in a county court, unless the facts are such that the debtor is unlikely to obtain leave to defend the action—supposing the proceedings are in respect of a liquidated sum—when it is quite as cheap, and much more expeditious, to proceed in the High Court, under what is known as Order XIV.

DEBTORS ACT, 1869. By this Act no person can be arrested or imprisoned for making default in payment of a sum of money, except in the following cases :—

(1) A penalty, or a sum of money in the nature of a penalty, other than a penalty under a contract.

(2) A sum recoverable summarily on conviction, and not as a civil debt, before a court of summary jurisdiction.

(3) A sum in the possession or under the control of a trustee or a person acting in a fiduciary capacity, and ordered to be paid by the court.

(4) A sum payable by an attorney in repects of costs, when the order is made to pay the sum on the ground of misconduct, or in payment of a sum when the order is made to pay the same in his character as an officer of the court.

(5) A sum payable for the benefit of creditors out of any salary or other income, in respect of the payment of which any court having jurisdiction in bankruptcy is entitled or authorized to make an order.

(6) A sum payable by virtue of an order made under the Act itself.

If a debtor fails to pay any debt or instalment of a debt, as to which an order for payment has been made under the Act, he may be imprisoned for any period not exceeding six weeks if it is proved that he has had the means to pay the same since the order was made, and has refused to do so.

An application for committal is made by means of a judgment summons—to the judge of a county court if the sum does not exceed £50, otherwise to a judge of the High Court.

The imprisonment can in no case exceed one year. It does not extinguish the debt, but a debtor cannot be imprisoned a second time in respect of the same debt. The only remedy left to the creditor is an execution against the lands, goods, or chattels of the debtor.

If an action is pending in the High Court, the amount in dispute being £50 or upwards, a plaintiff may at any time before final judgment obtain an order from a judge, on giving satisfactory evidence, for the imprisonment of a defendant for a period not exceeding six months, if there is reasonable ground to suppose that the defendant is about to quit the jurisdiction. The defendant can, however, obtain his freedom on giving security, not exceeding the amount claimed in the action, that he will not leave the country without the sanction of the court.

The Act of 1869 is amended in certain respects by the Bankruptcy Acts of 1883 and 1890, and the law as to the imprisonment of fraudulent bankrupts is shortly as follows. Every person who is adjudged a bankrupt is guilty of a misdemeanour, and liable to imprisonment for a period not exceeding two years, if he commits any of these offences, unless a jury acquits him of an intention to defraud :—

(1) If he does not to the best of his knowledge and belief fully and truly discover the whole of his property to his trustee in bankruptcy.

(2) If he does not deliver up the whole of his property in his custody, or under his control, and the books, papers and documents relating thereto.

(3) If after the presentation of a bankruptcy petition by or against him, or the commencement of the liquidation, or within four months next before the commencement of bankruptcy proceedings, he conceals or removes any part of his property to the value of

£10 or upwards, or if he makes any material omission in the statement of his affairs.

(4) If he fails for a period of one month to inform his trustee of the fact that a false debt is being proved against his estate.

(5) If he is a party to the abstraction or concealment of any book, paper, or other document relating to his affairs, or if within four months before the presentation of the bankruptcy petition he destroys, mutilates, or falsifies any such book, paper, or document.

(6) If within four months next before the presentation of the bankruptcy petition, or the making of a receiving order he has obtained any property on credit and not paid for the same by means of any false representations; or if he obtains, under the false pretence of carrying on business, any property on credit, or pledges, or disposes of the same, except in the ordinary way of business.

By section 13 of the Act, any person who is found guilty of any of the following offences is liable on conviction thereof to one year's imprisonment, with or without hard labour—

(1) If he incurs any debt or liability, and obtains credit under any false pretences or by means of any other fraud.

(2) If he makes any gift, delivery, or transfer of, or charge upon his property with intent to defraud his creditors.

(3) If he has concealed or removed any part of his property since or within two months before the date of any unsatisfied judgment or order for payment of money obtained against him.

DECIMAL SYSTEM. (Fr. *Système décimal*, Ger. *Decimal-system*, Sp. *Sistema decimal.*)

The system by which weights, measures, money, etc. are regulated and calculated by decimal divisions. It is now adopted in the principal continental countries of Europe and in the United States of America. On account of the facilities which it offers for calculation it will doubtless in time supersede all the old and cumbrous methods; and as soon as that is effected in Europe it will be the first step towards the establishment of a universal and international system. The most perfect example of the decimal system is found in France, though the same principle obtains in the coinage of the United States, Belgium, Italy, Portugal, Spain, and other countries. In French measures of length the Greek words *deca*, *hecto*, *kilo*, and *myria* are prefixed to the higher denominations, the unit being the metre of 39.37 English inches. The lower denominations are marked by the Latin words *deci*, *centi*, and *milli*. In money the *franc* is the unit; a *décime* is the tenth part of a franc, and a *centime* the hundredth part. The coinage of the United States of America, made decimal in 1786, consists of the *eagle*, of ten dollars, the *dollar*, of ten dimes, and the *dime*, of ten cents; but, of these denominations, *dollars* and *cents* are the only ones commonly used. Many attempts have been made to introduce a decimal coinage into this country, but without success. The decimal system is now legally recognized in twenty-nine states, with a population of 670 millions of people.

DEED. (Fr. *Acte, titre*, Ger. *Dokument, Urkunde*, Sp. *Acta, titulo.*)

(1) A legal transaction.

(2) The written document under hand and seal as evidence of such transaction.

A deed is sometimes termed a contract under seal, a specialty contract, or a formal contract.

Three things are essential to a deed, writing, sealing, and delivery. The writing may be done with any instrument, but the article used for writing upon must not be wood or cloth. In practice, parchment is generally used if the matter is one of importance, and if there is any necessity for preserving evidence of the transaction for a long period; otherwise paper suffices. The ancient solemnity connected with sealing has pased away, and a wafer or a mere piece of sealing wax is enough for present day purposes. By touching the wafer or the wax a party to the deed adopts it as his seal. The importance of delivery cannot be over-estimated, for unless delivery takes place the deed is of no effect. Delivery may be actual, by handing over the instrument, or constructive, by speaking words which clearly indicate the intention of the party to deliver it. In practice, the wafer or seal is affixed beforehand, and execution is completed by the party placing his finger on the seal and saying, "I deliver this as my act and deed." It is not certain whether it is necessary for a deed to be signed, but no prudent person would ever dispense with the signature and be satisfied with the mere act of sealing. When a deed is delivered subject to a condition, that is, that the deed is not to take effect if the

condition is not fulfilled, it is called an "escrow." This conditional delivery is made to a person who is not a party to the deed.

The following are the distinctions between contracts under seal and simple contracts, in addition to the difference of form :—

(1) A contract under seal requires no consideration to support it. Hence, although a gratuitous promise is not legally binding, for example, a promise to subscribe to a particular fund, a similar promise, if made by deed, is binding upon the promisor. There is an exception, however, in the case of contracts in restraint of trade.

(2) A contract under seal will "merge" in itself, that is, swallow up, or supersede, a simple contract between the same parties, and containing the same terms.

(3) Statements made in a deed are absolutely conclusive against the maker of them, unless duress or fraud is proved. No evidence is admissible to deny or explain them, unless there is what is called a "latent ambiguity," that is, a word or phrase which on its face appears perfectly clear, but which can be shown to be applicable to different matters. This is technically known as "estoppel." In the same way if a deed is incomplete in any material part when it is delivered, it is void, and the omissions cannot be supplied. In the case of a simple contract, a statement is only presumptive evidence of its truth.

(4) A right of action arising out of a contract under seal is not barred for twenty years, with the exception of certain contracts with regard to land, which are barred at the end of twelve years. The period allowed for taking action in the case of a simple contract is six years only.

Deeds must be stamped within thirty days of their execution.

DEED OF ARRANGEMENT. (Fr. *Acte de fidéicommis*, Ger. *Pfandurkunde*, Sp. *Asignación de síndico.*)

A deed conveying property to a trustee or trustees for the payment *pro ratâ* of the debts owing by an insolvent debtor. The object of a deed of arrangement is to prevent the publicity and trouble of bankruptcy proceedings.

A debtor will rarely execute a deed of this kind without first procuring the assent of the majority of his creditors, for by so doing he commits an act of bankruptcy upon which a petition for a receiving order may be filed. And if he does not secure the assent of the whole of his creditors, any one of the dissentients may present a petition within three months of the date of the deed. None of the assenting creditors can, however, take this course, for they have voluntarily relinquished their rights to the payment in full of their debts in consideration of the other assenting creditors doing the same thing. After the lapse of three months the deed is no longer available as an act of bankruptcy.

Sometimes instead of an assignment of the property of the debtor to a trustee, the creditors will assent to an arrangement for the payment of a portion of their debts at once, or to the payment in full by instalments, either absolutely or upon stated conditions.

Until 1888 deeds of arrangement might be made privately. But by the Deeds of Arrangement Act, 1887 (amended by another Act passed in 1890), provision has been made for the publicity of assignments and arrangements. By the principal Act a deed of arrangement is defined as including "any of the following instruments, whether under seal or not, made by, for, or in respect of the affairs of a debtor for the benefit of his creditors generally (otherwise than in pursuance of the law for the time being in force relating to bankruptcy), that is to say—

"(*a*) An assignment of property ;

"(*b*) A deed of, or agreement for a, composition ;

and in cases where creditors of a debtor obtain any control over his property or business—

"(*c*) A deed of inspectorship entered into for the purpose of carrying on or winding-up a business ;

"(*d*) A letter of licence, authorizing the debtor or any other person to manage, carry on, realize, or dispose of a business with a view to the payment of debts;

"(*e*) Any agreement or instrument entered into for the purpose of carrying on or winding up the debtor's business, or authorizing the debtor or any other person to manage, carry on, realize, or dispose of the debtor's business with a view to the payment of his debts."

Every such deed of arrangement must be registered as a Bill of Sale within seven days of its first execution, otherwise it is void. It must be stamped with a 10*s.* deed stamp, and an additional stamp at the rate of 1*s.* per

£100, or fraction thereof, upon the value of the property passing, or the amount of the composition which is to be paid. There is also an *ad valorem* duty charged for filing the deed of £1 per £1,000, or fraction thereof, with a maximum of £5, payable upon the value of the property passing, or the amount of the composition which is to be paid.

Registration is effected in the following manner. A true copy of the deed, and of every schedule or inventory annexed to it or referred to in it, must be presented to the Registrar within seven days. It must be accompanied by two affidavits, one verifying the time of execution, and containing a description of the residence and occupation of the debtor, and of the place or places where his business is carried on; and the other, made by the debtor himself, stating the total estimated amount of the property and liabilities included under the deed, the total amount of the composition (if any) payable thereunder, and the names and addresses of the creditors. The register is open to public inspection upon payment of a fee of one shilling.

In addition to being void for non-registration, a deed of arrangement may be set aside if it is shown to be a fraud upon creditors, or if a receiving order is made against the debtor, for any reason, within three months after the date of the execution of the deed.

The property conveyed under a deed of arrangement, and the various provisions it ought to contain, will depend upon the circumstances of the case. No property should be included which may render the trustee liable for onerous covenants connected with it, e.g., leaseholds. The trustee under a deed has not the right of disclaimer possessed by the trustee in bankruptcy. The remuneration of the trustee should be provided for.

Every trustee must transmit an account of his receipts and payments annually, within thirty days of January 1, to the Board of Trade in the required form. On the realization of the property and the distribution of the assets, or the payment of the composition, as the case may be, the trustee is released from the duties of his office.

DEED OF ASSIGNMENT. (Fr. *Assignation, cession*, Ger. *Abtretungsurkunde*, Sp. *Escritura de cesión.*)

A deed by which an insolvent debtor gives up the whole of his property for the benefit of his creditors, to be realized, as far as possible, in satisfaction of their claims upon him.

DEED OF INSPECTORSHIP. (Fr. *Contrat d'inspection*, Ger. *Bankerotterklärung*, Sp. *Contrata de inspección.*)

A deed by which an insolvent trader places his business in the hands of his creditors, who appoint trustees, called inspectors, for the purpose of carrying on the business or winding it up for their general benefit.

DEFAULTER. (Fr. *Défaillant*, Ger. *Ausbleibende, Wortbrüchige*, Sp. *Contumaz rebelde.*)

A person who makes default. The word is most commonly used, commercially, in connection with transactions on the Stock Exchange, for a member who is unable to meet his obligations is declared a defaulter. A notice to that effect is read out to all the members of the Exchange after their attention has been called by three strokes of a wooden hammer upon the rostrum. In the slang of the Exchange a defaulter, after the performance, is said to be "hammered." By the rules of the Stock Exchange liquidators are appointed to deal with the estate of the defaulter. They are known as the official assignees. Transactions which are open at the time of default are at once closed at current prices, and debts owing to the defaulter are paid over to the official assignees. The proceeds are divided amongst the creditors.

By this method of dealing with a defaulter's estate, the hammered member is saved from going through the Bankruptcy Court, unless there are unsatisfied creditors outside the Exchange. The members who are creditors must bear any loss which falls upon them; and if the defaulter pays 10*s.* in the £, and his conduct has been satisfactory, he is re-admitted a member of the Exchange. If bankruptcy proceedings are taken by outside creditors, the trustee is only entitled to claim from the official assignees any private assets which may have been handed to them by the defaulter.

DEFENDANT. (Fr. *Défendeur, défendresse*, Ger. *Angeklagter*, Sp. *Demandado, acusado.*)

A person who is accused or sued in an action, and who opposes the charge made against him.

DEFERRED ANNUITY. (Fr. *Rente viagère différée*, Ger. *aufgeschobene Leibrente*, Sp. *Renta diferida.*)

An annuity payable after the expiration of a certain agreed number of years. When once it has commenced

to run it may be either perpetual, or it may be limited to terminate on the happening of a particular event. The present value of such an annuity must depend on many contingencies, and if the proposed annuitant dies before the first payment becomes due the premium is lost.

Deferred annuities—old age pay—can be purchased at any Post Office Savings' Bank. The rates are given in the *Post Office Guide*.

DEFERRED BONDS. (Fr. *Titre différé*, Ger. *aufgeschobene Obligation*, Sp. *Título diferido.*)

Bonds which bear a gradually increasing rate of interest up to a certain rate agreed upon, when they are exchanged for active bonds bearing a fixed rate of interest payable in full from the date of issue.

DEFERRED STOCK, OR SHARES. (Fr. *Capital différé*, Ger. *ausgesetzte Schuld*, Sp. *Capital diferido.*)

Stock or shares which do not entitle the holders to any dividend upon them until the claims of prior shareholders, preference or ordinary, have been satisfied. Founders' shares in joint-stock companes are often of this kind.

By the Regulations of Railways Act, 1868, railway companies have special powers granted to them, under certain conditions, for converting their ordinary stock into two classes, preferred ordinary and deferred ordinary.

DEFICIENCY. (Fr. *Bon pour déficient*, Ger. *Manko, Leckage*, Sp. *Vale por deficencia.*)

A term used by the customs for an allowance made by them on wines and spirits on their being examined for delivery from a Government warehouse. The allowances are of two kinds,

(*a*) Ordinary (Fr. *Concession ordinaire*, Ger. *gewöhnlicher Abzug*, Sp. *Concesión usual*), to cover losses from natural causes, such as absorption or evaporation.

(*b*) Special (Fr. *Concession Spéciale*, Ger. *besonderer Abzug*, Sp. *Concesión especial*), to meet any further waste due to such causes as porous timber, slack hoops, defective stoves, or damp stowage.

DEFICIENCY BILLS. (Fr. *Avances provisoires*, Ger. *kurze Anleihen*, Sp. *Pagarés.*)

These are bills representing loans for short periods advanced to the Government by the Bank of England.

DEL CREDERE COMMISSION. (Fr. *Ducroire*, Ger. *Delcredereprovision*, Sp. *Comisión del Credere.*)

The phrase *del credere* is borrowed from the Italian. A *del credere* commission denotes an additional premium charged by a factor or agent, in consideration of which he guarantees the solvency of the purchaser, and becomes personally liable for the price of the goods sold. An agreement to sell upon such a commission need not be evidenced in writing, since it has been held that although the undertaking may result in a liability to pay the debt of another person, that is not the immediate object for which the consideration is given, but merely the appointment of an agent.

DELIVERY BOOK. (Fr. *Livre d'expédition*, Ger. *Lieferungsbuch*, Sp. *Libro de entregas.*)

A book in which are entered full particulars of goods forwarded by railway or carrier. The entries are signed by the carman or other person who receives the goods, which thus form receipts for the same.

DELIVERY ORDER. (Fr. *Ordre de livraison*, Ger. *Lieferschein*, Sp. *Orden de entrega.*)

A written or printed document, made out and signed by the owner of goods stored at a warehouse, dock or wharf, authorizing the transfer of such goods to the person named therein. A delivery order is a negotiable instrument, and may be used as a security to bankers and others for advances made by them upon the goods; it must then, however, be lodged at the place named, and the goods concerned thus transferred to the name of the lender.

Where the goods are of the value of £2 and upwards, the order must bear a penny stamp duly cancelled by the issuer.

DEMAND DRAFT (D/D). (Fr. *Traite à vue*, Ger. *Sichtwechsel*, Sp. *Libranza á presentación, Letra á la vista.*)

A bill of exchange, payable at sight, i.e., on presentation. It does not need any acceptance.

DEMONETIZE. (Fr. *Démonétiser*, Ger. *entwerten, ausser Kurs setzen*, Sp. *Retirar de circulación.*)

Coins are said to be demonetized when they are removed from the rank of a legal tender to that of "token money." (See *Tender, Token Money.*)

DEMURRAGE. (1). (Fr. *Surestarie*, Ger. *Liegegeld*, Sp. *Estadías.*)

A charge made by the owner for the detention of a ship by a merchant, in loading or unloading, beyond the time specified in the charter-party or

other agreement with the owner. It is usually stipulated in charter-parties that the freighter may detain the ship for a certain number of days, called lay or running or working days, for loading or unloading, and for a limited time thereafter on paying so much per day for demurrage. During the receiving or discharging of the cargo the merchant is liable for all detention from ordinary causes, even though these be inevitable or beyond his control, whilst the ship-owners have the risk of all interruptions from the moment the loading or unloading is completed.

(2) (Fr. *Retard*, Ger. *Lagergeld*, Sp. *Demora.*)

The detention of barges, railway waggons, etc.

DENMARK. *Position and Area.*—Jutland, which, with a group of islands in the Baltic Sea, forms the Kingdom of Denmark, is a peninsula extending northward from the German province of Schleswig-Holstein.

Industries.—Denmark is famous as a grain-producing country. Most of the bread used by the people is made from rye, of which, as well as of oats and barley, large quantities are raised. Potatoes and other root-crops are extensively grown.

Cattle-grazing is a very important industry, as dairy products and live stock are the principal exports. Large numbers of cattle, sheep, swine, and horses are raised. Danish butter is a staple commodity in Great Britain.

Industries.—There are some small deposits of coal, but no mines of metal. In the island of Bornholm there are clays valuable for the making of porcelain.

Possessing few minerals, and but little water power, the manufactures are unimportant. The principal products are brandy, earthenware, and terra-cotta. In the neighbourhood of Copenhagen there are a few iron-foundries, machinery factories, and sugar-refineries. Most of the raw material for iron manufactures is imported from England.

Means of Communication.—There are 1,200 miles of railway in Denmark, mostly owned by the State. There are several canals in the peninsula and in the islands, but no rivers of any importance because the country has no mountains or highlands.

Commerce.—The greater part of the foreign commerce of Denmark is with Great Britain, Germany, and Sweden-Norway. More than five-sixths of the total exports are butter, eggs, pork, live stock, and cereals. The imports are chiefly raw textiles, hardware, coffee, tea, sugar, wines, and tobacco.

Denmark imports from the United Kingdom goods to the value of over £4,500,000 annually, the chief items being manufactured goods and colonial produce. Denmark and her colonies export to the United Kingdom nearly £13,500,000 worth of goods. The United Kingdom takes from Denmark butter, bacon, hams, living animals, barley and eggs; sending to Denmark coals, textiles, metal goods, and sugar.

Commercial Town.—Copenhagen, the capital, is in Zealand. It is the chief seaport, and the commercial and industrial centre of the kingdom. The royal porcelain works have a European reputation. There are also manufactures of glass-ware and gloves. The city is about twice as large as Brighton.

Foreign Dependencies.—The foreign dependencies of Denmark are Iceland, Greenland, the Faröe Islands, and the West India Islands of St. Croix, St. Thomas, and St. John. These possessions are of little commercial value. Their aggregate population is but little more than 100,000.

Iceland is an island of the North Atlantic, 600 miles west of Norway. Its size is about four-fifths that of England; but its total population is less than 13,000. It is a country of lofty mountains and vast ice-fields, and is habitable only in a few of the coast districts. There is no agriculture except the growing of hay and garden vegetables. Sheep, horses, and oxen are the principal wealth of the people. One of the natural products of the island is Iceland moss, used as an article of food, and for medicinal purposes. The only mineral worked is sulphur, which is abundant in the vicinity of Mount Hecla and some other volcanoes. The fisheries are busily followed. The exports from Iceland are sulphur, Iceland moss, fish, and eider-down.

Greenland is an unexplored region geographically forming part of North America. The few coast villages export cryolite (used in making soap-soda), alum, skins, and whale oil.

St. Croix, St. Thomas, and St. John are sugar plantations, which export raw sugar to the United States, Great Britain, and Denmark.

Great Britain is represented by consuls at Copenhagen, Reykjavik (Iceland), St. Thomas (West Indies), and Thorshaven (Faröe Islands), and Denmark

has consular representatives in Belfast, Bristol, Edinburgh, Hull, Leith, Liverpool, London, Manchester, Newcastle, Sheffield, Southampton, Swansea, and Yarmouth.

Mails are despatched every morning and evening to Denmark. Copenhagen is 728 miles distant from London, and the time of transit is thirty-four hours. Telegrams cost 3*d.* per word.

DEPENDENCIES. (Fr. *Actif susceptible d'accroissement*, Ger. *mögliche Aktiva*, Sp. *Créditos probables.*)

Assets likely to accrue, but which cannot now be exactly determined—such as the profits from an adventure, or a partnership, dividends to be received on stocks and shares, and so on.

DEPOSIT. (Fr. *Dépôt, arrhes*, Ger. *Angeld, Depositum*, Sp. *Depósito.*)

(1) Goods or securities placed by one person with another for safe keeping. It is one of the six classes of bailment.

(2) Money placed by one person with another as security for the fulfilment of an agreement, or in part payment on a sale, or as earnest to bind a contract. A deposit is invariably required on the sale of land, or any interest therein, generally 10 per cent. of the purchase price. If the purchaser fails to complete his contract, the vendor is entitled to retain the deposit. Not even the trustee in bankruptcy can reclaim the deposit, should the purchaser fail in carrying out the contract through bankruptcy proceedings being taken against him.

(3) Money lodged with a banker at a fixed rate of interest, either as a permanent investment or for some definite period. The account of the same is kept separate from the ordinary or current account of the depositor. The banker gives a deposit note as a receipt. This document needs no stamp. With respect to his deposit the depositor's right against the banker is simply that of a creditor.

(4) Title deeds of land placed as security for the repayment of a loan, and creating what is known as an equitable mortgage, when there is no writing in existence to satisfy the 4th section of the Statute of Frauds.

DEPOSIT ACCOUNT. (Fr. *Compte de dépôt*, Ger. *Depositenkonto*, Sp. *Depósito en cuenta.*)

This is an account where sums of money are deposited with bankers, discount houses, and others, at a fixed rate of interest, and withdrawals from the account can only be made upon giving so many days' notice.

DEPOSIT BILL. (Fr. *Billet d'abandon de tabac à priser*, Ger. *Abtretungsschein*, Sp. *Guia de decomiso.*)

This is a document used when snuff is abandoned and delivered to the Crown. The bill is filled in with full particulars of the snuff to be abandoned, and is lodged with the Customs at the port of deposit, together with a signed statement that on receipt of the drawback it is intended to abandon the snuff to the Crown.

DEPOSIT RECEIPT. (Fr. *Certificat, mandat de dépôt*, Ger. *Depositenschein*, Sp. *Recibo de depósito.*)

A receipt given by bankers, discount houses, and others, for money deposited with them, either at call, or at notice, specifying the interest to be paid and the notice to be given before the money is withdrawn.

DEPOSITOR. (Fr. *Déposant*, Ger. *Deponent, Hinterleger*, Sp. *Depositante.*)

The person who makes a deposit.

DEPÔT. (Fr. *Dépôt*, Ger. *Dépôt, Lager, Bahnhof*, Sp. *Dépôt, Depósito.*)

A place of deposit, a storehouse, a military station, or a railway terminus.

DEPRECIATION. (Fr. *Dépréciation*, Ger. *Entwertung*, Sp. *Depreciación.*)

The meaning of this term is diminished value. It is most commonly used in commerce to signify the decline in value of any property, especially buildings, machinery, and plant, which is the natural result of continued usage, lapse of time, and the introduction of fresh methods and new machinery, etc., in any particular business.

An allowance must be made in every business for depreciation, otherwise the fixed capital of the concern will be continually reduced until it reaches a vanishing point. The proper allowance to be made varies with every business, and its amount will not always be the same for every year. In bookkeeping depreciation is made a charge against the revenue of the business.

DERELICT. (Fr. *Navire abandonné*, Ger. *verlassenes Schiff*, Sp. *Buque abandonado.*)

A boat, ship, or goods found abandoned at sea.

By an Act of 1896, every master of a British ship is compelled to notify the existence on the high seas of any floating derelict vessel to Lloyd's. (See *Lloyds'.*)

DESPATCH NOTE. (Fr. *Bulletin d'expédition*, Ger. *Versandanzeige, Paketadresse*, Sp. *Nota de expedición.*)

A printed document which should

be filled up in writing and forwarded with a parcel sent by post to a foreign country.

DEVIATION. (Fr. *Dégagement, libération*, Ger. *Abweichung*, Sp. *Absolvencia.*)

Any divergence from the terms and conditions specified in a policy of marine insurance which thereby discharges the underwriters from their risk. The only deviations allowed are for the purpose of getting provisions, avoiding capture, repairing damage, and saving life. (See *Charter-party.*)

DEVISEE. (Fr. *Légataire*, Ger. *Erbe*, Sp. *Legado.*)

The person to whom real estate is given by will. The words of gift generally used are "devise and bequeath," the latter being technically applicable to personal property alone.

DEVISOR. (Fr. *Légateur*, Ger. *Erblasser*, Sp. *Testador.*)

The person who makes a gift of real estate by a will.

DIES NON. (Fr. *Jour férié*, Ger. *kein Geschäftstag*, Sp. *Declaración de dia festivo.*)

A day upon which, owing to some particular circumstance or event, no business can be transacted.

DIME. (Fr. *Dîme*, Ger. *Dime*, Sp. *Dime.*)

A silver coin of the United States, equal to ten cents. It is the tenth part of a dollar, and its value in English money is about fivepence.

DIRECTOR. (Fr. *Directeur*, Ger. *Direktor*, Sp. *Director.*)

In general, one who has the chief management of a scheme, design, or undertaking. More particularly, one of a number of persons chosen by a plurality of votes from among the body of proprietors to conduct the affairs of some joint-stock undertaking, as a bank, a railway, an insurance company, or the like. The whole of the directors together form the board of directors.

Directors are in a sense trustees for the company, but the essential distinction between trustees and directors has been judicially declared as follows: "A trustee is a man who is the owner of the property, and deals with it as principal, as owner and master, subject only to an equitable obligation to account to some persons to whom he stands in relation of trustee, and who are his *cestuis que trustent.* The same individual may fill the office of director and also be a trustee having property, but that is a rare, exceptional, and casual circumstance. The office of director is that of a paid servant of the company. A director never enters into a contract for himself, but he enters into contracts for his principal, that is, for the company of whom he is a director, and for whom he is acting. He cannot sue on such contracts, nor be sued on them, unless he exceeds his authority." But they are especially trustees of the powers committed to them—they are the particular agents of the company. They can only exercise the powers conferred upon them by the Memorandum and Articles of Association. All persons, third parties as well as members of the company, having dealings with the company, are presumed to have full knowledge of the contents of these two documents, since they are open to public inspection. Such persons, therefore, must know the extent of the powers of the directors, and be acquainted with any restrictions placed upon them.

The number, powers, and method of election of the directors are provided for by the Articles of Association. If no directors are named therein the subscribers of the Memorandum of Association are the directors until others are appointed. The remuneration of the directors is similarly provided for—sometimes to be paid out of the profits of the company, sometimes out of the company's funds.

There is no legislative enactment requiring directors to be possessed of any share or shares in their company, but a share qualification is almost invariably provided for in the Articles of Association, since the London Stock Exchange requires it as a condition precedent to granting a quotation for the shares. It was a common practice on the part of promoters, etc., to evade this regulation of the Stock Exchange by presenting shares to nominees of their own. But now sections 2 and 3 of the Companies' Act, 1900, have endeavoured to prevent any evasion by the following enactments:—

2. (1) A person shall not be capable of being appointed director of a company by the Articles of Association, and shall not be named as a director or proposed director of a company in any prospectus issued by or on behalf of the company, unless, before the registration of the articles or the publication of the prospectus, as the case may be, he has by himself or by his agent authorized in writing—

(i) Signed and filed with the registrar a consent in writing to act as such director; and

(ii) Either signed the Memorandum of Association for a number of shares not less than his qualification (if any), or signed and filed with the registrar a contract in writing to take from the company and pay for his qualification shares (if any).

(2) On the application for registration of the Memorandum and Articles of Association of a company, the applicant shall deliver to the registrar a list of the persons who have consented to be directors of the company, and if this list contains the name of any person who has not so consented the applicant shall be liable to a fine not exceeding fifty pounds.

(3) Provided that this section shall not apply to a company registered before the commencement of this Act, or to a company which does not issue any invitation to the public to subscribe for its shares, or to a prospectus issued by or on behalf of a company after the expiration of one year from the date at which the company is entitled to commence business.

3. (1) Without prejudice to the restrictions imposed by the last foregoing section, it shall be the duty of every director who is by the regulations of the company required to hold a specified share qualification, and who is not already qualified, to obtain his qualification within two months after his appointment, or such shorter time as may be fixed by the regulations of the company.

(2) The office of director of a company shall be vacated, if the director does not within two months from the date of his appointment, or within such shorter time as may be fixed by the regulations of the company, obtain his qualification, or if after the expiration of such period or shorter time he ceases at any time to hold his qualification; and a person vacating office under this section shall be incapable of being re-appointed director of the company until he has obtained his qualification.

(3) If after the expiration of the said period or shorter time any unqualified person acts as director of a company, he shall be liable to pay to the company the sum of five pounds for every day during which he so acts."

A director, who is appointed for a limited time, cannot be removed from his position until that time has elapsed, unless there is a special provision in the Articles of Association to that effect. Similarly he cannot resign.

Liability of Directors.—The directors are personally liable for all acts which are *ultra vires* the company, and they may be responsible for acts which are *intra vires* the company, and yet *ultra vires* the directors. They must, like agents, never place themselves in a position where their duties and their interests are in conflict, otherwise they may be called upon to refund any moneys expended by them, even though the expenditure may appear to be for the benefit of the company. Their duties cannot be delegated.

If the directors or any of them have been parties to the issue and publication of a fraudulent prospectus, any person damnified may bring an action against them for the loss which he has sustained. The action was one for deceit, but now the law as to directors and others responsible for the prospectus has been altered by the Directors' Liability Act, 1890. The defences to an action are three, but the burden of proof lies on the defendants, whereas in an action for deceit the burden of proof is upon the plaintiff. The defences are:—

(1) That the directors, etc., believed that the statements contained in the prospectus were true, or had reasonable grounds for doing so, and that they retained the belief up to the time of the allotment of the shares, debentures, or debenture stock, as the case may be.

(2) That the statements set forth were made from the reports or valuations of duly qualified and competent persons, e.g., engineers, valuers, accountants or other experts, or that they were copied from some official document.

(3) Any director may show that he withdrew his consent to the prospectus, and gave public notice of the fact.

Directors are civilly liable for gross negligence in the performance of their duties, for misfeasance and for breach of trust. They may also render themselves liable to a criminal prosecution under section 84 of the Larceny Act, 1861, which runs as follows: "Whosoever being a manager, director or public officer of any body corporate or public company shall make, circulate or publish, or concur in making, circulating or publishing any written statement or account which he shall know to be false in any material particular with intent to deceive or defraud any member, shareholder or creditor of such body corporate or public company, or with intent to induce any person to become a shareholder or partner therein, or to

intrust or advance any property to such body corporate or public company, or to enter into any security for the benefit thereof, shall be guilty of a misdemeanour, and being convicted thereof shall be liable at the discretion of the court to any of the punishments which the court may award as hereinafter last mentioned," i.e., penal servitude for any period between three and seven years, or imprisonment with or without hard labour (and with or without solitary confinement) for a period not exceeding two years.

DIRECTORATE, DIRECTORSHIP. (Fr. *Directorat, direction*, Ger. *Direktorium, Vorstand*, Sp. *Directorio, Dirección.*)

(1) The office of a director.

(2) The body of directors.

DISCLAIMER. (Fr. *Désaveu*, Ger. *Verleugnung, Widerspruch*, Sp. *Denegacion.*)

A renunciation of rights or liabilities.

The term is most frequently used in connection with bankruptcy proceedings. When the property of a bankrupt has passed into the possession of his trustee, all the rights and obligations attached to the same pass along with it. As the obligations might cause a serious drain upon the assets, the trustee is allowed to disclaim land of any tenure, which is burdened with onerous covenants, contracts, shares, stocks, and every other kind of property which is either unsaleable or not easy to dispose of. The disclaimer must be made in writing, signed by the trustee, and within twelve months of the first appointment of the trustee, or if the property does not come to his knowledge within a month of his appointment, then within twelve months of such knowledge. This period may be extended by leave of the court. But any person interested may apply to the trustee, and compel him to decide within twenty-eight days of the service of a notice upon him whether he intends to disclaim or not. If the trustee fails to arrive at a decision his right to disclaim will be lost. The rights and liabilities attached to any property are determined from the date of the disclaimer, and the trustee is discharged from all personal liability in respect of the same.

Leaseholds cannot be disclaimed without the leave of the court, except in the following cases:—

(1) Where the premises have not been sub-let, or a mortgage or charge created on the lease; and

(*a*) The rent reserved and the real value of the premises is less than £20 per annum; or

(*b*) The estate is being administered as a small bankruptcy; or

(*c*) The lessor has been served with a notice of the intention of the trustee to disclaim, and has not given notice to the trustee that he requires the matter to be brought before the court.

(2) Where the premises have been sub-let, or a mortgage or charge created on the lease, and the trustee has served the lessor and the sub-lessee or the mortgagee, as the case may be, with a notice of his intention to disclaim, and one of the parties has, within fourteen days of the service of the notice, required that the matter shall be brought before the court.

No disclaimer of leaseholds is of any validity until it has been filed in the court.

The liquidator of a joint-stock company has no power to disclaim, since he does not become personally liable for the rents and covenants of leases, and a trustee under a deed of arrangement has no such power, such a trustee succeeding entirely to the whole of the rights and obligations attached to the property comprised in the deed. For this reason it is very rare for leaseholds to be included in deeds of arrangement.

A tenant is said to disclaim when he repudiates the relationship existing between himself and his landlord. Such a disclaimer terminates the tenancy, and renders it impossible for the tenant to set up any defence in an action for ejectment. The disclaimer must be very clear and unambiguous in order to act as a repudiation.

A trustee may, if he has never acted, disclaim his trusteeship as to the whole of his trust. Though no formal act is necessary such a disclaimer is generally made by deed.

DISCOUNT. (Disct.). (Fr. *Escompte*, Ger. *Diskonto*, Sp. *Descuento.*)

An allowance made on a bill, or any other debt not yet become due, in consideration of present payment.

This allowance, in the case of a cash discount, depends upon three things:—

(*a*) The period of credit which is generally allowed in a particular trade;

(*b*) The length of the unexpired period of credit at the time when payment is made;

(*c*) The rate per cent. allowed.

The calculation is invariably made as though the allowance to be made was interest upon the sum payable.

Thus, if discount is allowed for twelve months at the rate of 5 per cent. upon a debt of £100, the sum of £5 is deducted and the debt is liquidated by the payment of £95. This is what is called banker's discount. In a true calculation of discount, however, the problem is this—What sum will, at the given rate of interest, at the end of the given period, amount to the value of the deferred payment? This is ascertained by finding the amount of £1 for the given time, and dividing the given sum by that amount. The quotient is the correct answer. For example, to find the true discount of £100 to be paid twelve months hence, at the rate of 5 per cent. The amount of £1 is £1.05. Divide £100 by £1.05 and the quotient is £95 4*s.* 9$\frac{1}{2}$*d.* Hence the true discount is £4 15*s.* 2$\frac{1}{2}$*d.*, and not £5 as in banker's discount.

It is thus seen that when a tradesman allows £5 on a debt of £100, he is giving more than 5 per cent. discount. The creditor is the gainer. Similarly when a banker discounts a bill of £100 and pays the holder £95 for it, the banker will at the maturity of bill, on receiving £100 for it, obtain more than 5 per cent. for the money he has advanced. As a matter of fact, his gain is about 5$\frac{1}{19}$ per cent.

The rate of discount varies according to the demand for money, and, in the case of bills, according to the character and credit of the persons who are parties to them.

In some trades an allowance is made, called a trade discount, according to the particular class of trade or goods, and irrespective of any time of payment. The rate varies with the extent of the trade done by a particular customer. This method enables a trader to issue what are known as "list prices," which are applicable to all buyers, and the adjustment in prices is made after purchases have been effected. When proving a debt in bankruptcy or in the winding up of a company, a creditor is bound to deduct all trade discounts, but he is not compelled to allow more than 5 per cent. on the net amount of his claim, which he may have agreed to allow for cash payment.

The term is also applied to the depreciation in value of any investment. Thus, if the market value of a railway share, upon which £100 has been paid, is only £90, it is said to be at a discount of 10 per cent. Conversely, if the market value is higher than the nominal value, it is said to be at a premium.

DISCOUNTING A BILL. (Fr. *Escompter*, Ger. *diskontieren*, Sp. *Descontar.*)

The purchase of a bill of exchange by a banker or other person at a settled price, less than the face value of the bill, such price depending upon the rate of discount at the time of the transaction, and upon the credit and reputation of the various parties to the bill.

It is with bills of exchange that the word discount is most familiarly used, and the operation of discounting bills is one of the most common and important functions of modern banks. Bills are, in fact, the stock in trade of banks, and they are bought and sold with the same readiness as the goods of an ordinary trader. If there is a large supply of good bills, they are the most eligible of banking investments, because their date is fixed, and it is known almost to a certainty when the money advanced, together with interest, will be repaid. The banker who takes a bill charges his profit at the time of the advance, and he is, therefore, the gainer whether the customer draws out the money or not. And it often happens that all the parties to a bill are customers of the same bank In such a case numerous transactions, by means of cheques, may take place, and there will be nothing but a transfer of credits from one account to another during the time that the bill is running, and the banker will not be called upon to find one single penny in actual coin. The same thing takes place by means of the system of the Clearing House, when the various bankers are members of it.

The rate of discount will depend upon the condition of the money market, and upon the Bank Rate of the Bank of England.

The discount is not calculated upon the principle of true discount, but the customer is charged interest at the discount rate upon the face value of the bill. As was explained in the last article, discount is more profitable than interest, and the profit rapidly increases with the advance of the rate of discount. Thus, suppose a money lender advances a loan at 25 per cent. interest. For each £100 advanced he would, at the end of the year, receive £125. But suppose he discounts a bill for £100 at the same rate. The advance would be £75, and in return he would receive £25 as interest for the £75, that is 33$\frac{1}{3}$ per cent. The following table shows the difference in profit per cent. in trading

by way of interest and discount.

Interest.	*Discount.*	*Interest.*	*Discount.*
1	1·010101	8	8·695652
2	2·040816	9	9·890109
3	3·092783	10	11·111111
4	4·166666	20	25·000000
5	5·263157	40	66·666666
6	6·382968	50	100·000000
7	7·526881	100	Infinite

The discounting of a bill must be carefully distinguished from the pledge or deposit of a bill as security. A discounter is a holder for full value, and he is entitled, on the maturity of the instrument, to recover from any of the parties the amount of the same, in the absence of any such defences as fraud, etc. The position of a pledgee is different. If he sues a third party he sues as trustee for the pledgor, as regards the difference between the amount he has advanced and the amount of the bill. If the pledgor could have sued on the bill, the pledgee is able to recover the whole. But if the title of the pledgor is in any way defective, the pledgee cannot recover more than the amount of his advance, and only then if he has taken the bill without notice of the defect in the title of the pledgor.

DISCHARGE. (See *Bankruptcy, Bill of Exchange, Contract.*)

DISCRETIONARY ORDER. (Fr. *Ordre facultatif*, Ger. *Vertrauensorder*, Sp. *Autorización discrecional.*)

An order sent by a speculator to a stockbroker, accompanied by the usual amount of cover, telling him to purchase a certain amount of stock, and leaving to his judgment the stock to purchase.

DISEMBARKMENT. (Fr. *Débarquement*, Ger. *Ausladung*, Sp. *Desembarcación.*)

The act of landing goods which have been placed on board a ship.

DISHONOUR. (Fr. *Ne pas faire honneur à*, Ger. *nicht honorieren*, Sp. *Deshonrar.*)

In commerce, the refusal to accept a bill of exchange, or to pay the same when it falls due.

When a bill has been dishonoured by non-acceptance or by non-payment, *notice of dishonour* must be given to the drawer and each indorser, and any drawer or indorser to whom such notice is not given is discharged, provided that—

(1) Where a bill is dishonoured by non-acceptance, and notice of dishonour is not given, the rights of a holder in due course subsequent to the omission shall not be prejudiced by the omission.

(2) Where a bill is dishonoured by non-acceptance and due notice of dishonour is given, it shall not be necessary to give notice of a subsequent dishonour by non-payment unless the bill shall in the meantime have been accepted.

The following fifteen rules must be observed in giving notice of dishonour, in order that the notice may be valid and effectual:—

(1) The notice must be given by or on behalf of the holder, or by or on behalf of an indorser who, at the time of giving it, is himself liable on the bill.

(2) Notice of dishonour may be given by an agent either in his own name, or in the name of any party entitled to give notice whether that party is his principal or not.

(3) Where the notice is given by or on behalf of the holder, it enures for the benefit of all subsequent holders and all prior indorsers who have a right of recourse against the party to whom it is given.

(4) Where notice is given by or on behalf of an indorser entitled to give notice as hereinbefore provided, it enures for the benefit of the holder and all indorsers subsequent to the party to whom notice is given.

(5) The notice may be given in writing or by personal communication, and may be given in any terms which sufficiently identify the bill, and intimate that the bill has been dishonoured by non-acceptance or non-payment.

(6) The return of a dishonoured bill to the drawer or an indorser is, in point of form, deemed a sufficient notice of dishonour.

(7) A written notice need not be signed, and an insufficient written notice may be supplemented and validated by verbal communication. A misdescription of the bill will not vitiate the notice unless the party to whom the notice is given is in fact misled hereby.

(8) Where notice of dishonour is required to be given to any person, it may be given either to the party himself, or to his agent in that behalf.

(9) Where the drawer or the indorser is dead, and the party giving notice knows it, the notice must be given to the personal representative, if there is one, with reasonable diligence.

(10) Where the drawer or the indorser is bankrupt, notice may be given either to the party himself or to the trustee in bankruptcy.

(11) Where there are two or more drawers or indorsers who are not partners, notice must be given to each of them, unless one of them has authority to receive such notice for the others.

(12) The notice must be given within a reasonable time after the bill is dishonoured. In the absence of special circumstances notice will not be deemed to have been given within a reasonable time unless—

(*a*) Where the person giving and the person to receive notice reside in the same place the notice is given or sent off in time to reach the latter on the day after the dishonour of the bill.

(*b*) Where the person giving and the person to receive notice reside in different places the notice is sent off on the day after the dishonour of the bill, if there is a post at a convenient hour on that day, and if there is no such post on that day then by the next post thereafter.

(13) Where a bill when dishonoured is in the hands of an agent, he may either himself give notice to the parties liable on the bill, or he may give notice to his principal. If he gives notice to his principal he must do so within the same time as if he were the holder, and the principal upon receipt of such notice has himself the same time for giving notice as if the agent had been an independent holder.

(14) Where a party to a bill receives due notice of dishonour, he has after the receipt of such notice the same period of time for giving notice to antecedent parties, that the holder has after the dishonour.

(15) Where a notice of dishonour is duly addressed and posted, the sender is deemed to have given due notice of dishonour, notwithstanding any miscarriage by the post office.

Delay in giving notice of dishonour is excused where the delay is caused by circumstances beyond the control of the party giving notice, and not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate the notice must be given with reasonable diligence.

Notice of dishonour is dispensed with—

(*a*) When, after the exercise of reasonable diligence, notice cannot be given to or does not reach the drawer or indorser sought to be charged.

(*b*) By waiver express or implied. Notice of dishonour may be waived before the time of giving notice has arrived, or after the omission to give due notice.

(*c*) As regards the drawer in the following cases, viz. :—

(1) Where the drawer and the drawee are the same person.

(2) Where the drawer is a fictitious person or a person not having capacity to contract.

(3) Where the drawer is the person to whom the bill is presented for payment.

(4) Where the drawee or acceptor is as between himself and the drawer under no obligation to accept or pay the bill.

(5) Where the drawer has countermanded payment.

(*d*) As regards an indorser in the following cases, viz. :—

(1) Where the drawee is a fictitious person or a person not having capacity to contract, and the indorser was aware of the fact at the time he indorsed the bill.

(2) Where the indorser is the person to whom the bill is presented for payment.

(3) Where the bill was accepted or made for his accommodation.

The acceptor of a bill is not entitled to any notice of dishonour in order to make him liable upon it.

DISPATCH MONEY. (Fr. *Bon pour vive expédition*, Ger. *Vergütung für schnelle Ladung*, Sp. *Boletín de espedición.*)

A chartering term for an allowance of so much a day or so much an hour, sometimes granted by the owners of a vessel to the charterer when the latter has loaded or unloaded a vessel before the stipulated lay days are over.

DISSECTION. (Fr. *Dissection*, Ger. *Zerlegung*, Sp. *Disección.*)

This is a term in accounts, especially in those of the drapery trade, which is applied to the separation of the accounts of sales and purchases into the various departments of the business.

DISSEISE. (Fr. *Dépossséder, dessaisir*, Ger. *widerrechtlich aus dem Besitze setzen*, Sp. *Desembargar.*)

To deprive a person of the seisin or possession of an estate of freehold.

DISSEISIN. (Fr. *Dépossession*, Ger. *widerrechtliche Besitzentsetzung*, Sp. *Deposesión.*)

The act of depriving a person of the seisin or possession of an estate of freehold.

DISSOLUTION OF PARTNERSHIP. (Fr. *Dissolution*, Ger. *Auflösung*, Sp. *Disolución.*)

The breaking up of a firm, either by

the voluntary retirement of one or more partners, or by operation of law. For the grounds of dissolution, and the notices that are required to be given, both publicly in the *Gazette*, and privately to those persons who have had business relations with the firm, see *Partnership*.

DISTRAIN. (Fr. *Saisir*, Ger. *pfänden*, Sp. *Embargar*.)

To seize goods *in satisfaction of rent* due. The word is sometimes used, though incorrectly, to describe the levying of an execution for the satisfaction of a judgment debt. The two things are quite distinct in their nature, and the rights of an execution creditor are far more limited than those of a distrainor for rent.

DISTRAINOR. (Fr. *Saisissant*, Ger. *Pfänder*, Sp. *Aguacil judicial*.)

The person who makes a distraint, or seizure, of the goods of another for rent due.

DISTRAINT or DISTRESS. (Fr. *Saisie*, Ger. *Pfändung*, Sp. *Embargo*.)

In law, the act of distraining, or seizing, goods for rent due.

This summary method of procedure, without the intervention of a court of law, gives an enormous power to a landlord, and as it is likely to be abused unless very stringently regulated, various statutes have been passed to keep it properly checked. Any illegality or irregularity will render the distrainor liable to heavy damages.

In order that a right to distrain may exist there must be the relationship of landlord and tenant between the distrainor and the holder of the premises. The rent must likewise be ascertainable, and some rent must be actually due at the time the distraint is levied. If it has been agreed that the rent shall be paid in advance, the right arises as *soon as the day of payment has passed*. It is often provided in long leases that the last instalment of rent shall be paid some days before the termination of the lease, in order that the landlord may have this right up to the end.

The landlord is the proper person to distrain. But this includes not only the actual legal owner of the premises who let them to the tenant, but any person who has such a property in the same as to entitle him to possession on the termination of the tenancy. Thus, a tenant who sub-lets can distrain, and so can a mortgagee. But it is a rare thing for a landlord to distrain personally. The usual practice is to employ a bailiff, who must be certificated by a county court judge, and who is authorized by some document in writing signed by the landlord.

Generally, a distraint cannot be levied elsewhere than on the premises of the tenant. That is another reason why there is often a stipulation in long leases for the payment of the last instalment of the rent before the termination of the *lease, already referred to*. But *if*, the rent being in arrears, the tenant fraudulently or clandestinely removes his goods for the purpose of preventing a distraint, the landlord may follow and take them from the place to which they have been removed within thirty days after such removal. But if a sale has taken place in the meantime to a *bonâ fide* purchaser, the goods cannot be seized. But the tenant must still have an interest in the premises at the time the distraint is made, even though he removed them to prevent a distraint, otherwise the landlord will be too late. Thus, in one case, a tenant removed his goods on the *last day but one of his tenancy*, and it was held that although the goods were removed "fraudulently and clandestinely," the landlord could not follow and seize them after the tenancy had come to an end.

A distraint cannot be made except between sunrise and sunset. As rent is not legally due until the completion of the day upon which it is payable, no distraint is possible until after sunrise *on the day after it falls due*.

A landlord cannot distrain for more than six years' arrears of rent, unless the tenant has within that time given a written acknowledgment of previous rent being due. If the holding is an agricultural one, only one year's rent can be distrained for, subject to an extension if it has been customary to defer *payment for three or six months*. In the case of a bankrupt tenant, a landlord may distrain after the commencement of the bankruptcy, but his claim is only available for six months' rent accrued due prior to the adjudication. If he distrains within three months of the receiving order being made, he must pay the preferential creditors out of the proceeds of the *distraint, and become* a preferential creditor himself as to any *loss he sustains*. For whatever balance of rent remains due after a distraint for the six months, the landlord must prove in the bankruptcy proceedings as an ordinary creditor. A distraint against the estate and effects of a com-

pany which is being wound-up, otherwise than voluntarily, is void. The court may, however, on the application of the landlord or other person, give liberty to distrain, or direct payment of such rent after the commencement of the winding-up, if it is shown that possession has been retained for the benefit of the winding-up.

In levying a distraint the outer door of a house cannot be broken, but if the outer door is open, the person distraining may break the inner doors, or locks, if necessary, to reach goods which are distrainable. If a window is open, entrance may be made through it, and the window itself may be opened further. The breaking or removal of a pane of glass to undo a fastening constitutes the distrainor a trepasser. A fence may be climbed over to get through an open door. A landlord or his agent may not force the padlock of a barn nor the outer door of a granary or stable for the purpose of distraining for rent, and he must not break open gates nor knock down fences to effect his purpose; but he is justified in opening doors and locks by turning the key, lifting the latch, drawing the bolt, or using any of the usual methods adopted for gaining access. In every case where the distrainor can enter without committing a trespass or using force, he is justified in his action. The forcible expulsion of a person lawfully distraining from the premises which he has entered will deprive the tenant of his immunity from having his outer door broken in order to regain admittance. The distrainor must call a constable to see that no breach of the peace is committed.

It is the general rule that all personal chattels found on the premises, in respect of which the distraint is made, can be seized for the rent due. It is immaterial who is the owner. And herein lies the great difference between a distraint and an execution. In the latter case nothing can be seized which is not the property of the judgment debtor. There are, however, many exceptions to this general rule, some goods being absolutely privileged from seizure, some conditionally. Those which are absolutely privileged cannot be taken under any circumstances, and include—

(1) Things in actual use. The seizure of these might lead to a breach of the peace.

(2) Fixtures which having been removed cannot be restored to their original condition. At common law sheaves of corn and growing crops could not be distrained: they are now distrainable by statute.

(3) Goods delivered to a person in the way of his trade. The reason of this is that no undue restraint ought to be placed upon trade and commerce.

(4) Perishable goods. Things taken in distraint are really a pledge, and if they cannot be restored they may not be seized. For the same reason loose money cannot be taken, but it can be seized if it is in a bag, so that the identical coins are able to be restored.

(5) Animals *ferae naturae*. But dogs, deer in a park, birds in cages, etc., are distrainable.

(6) Goods in the custody of the law, as, for instance, a sheriff who has taken possession under a writ of execution.

(7) The goods of an ambassador.

(8) The goods of a lodger. This is by virtue of an Act passed in 1871. If a lodger's goods are seized the lodger must make an inventory of them, and serve the document upon the landlord. He must also pay any rent that is due from him, and for which his own landlord, the tenant of the premises, would have a right to distrain on his own account.

(9) Wearing apparel, bedding, etc., to the value of £5, unless the tenant is holding over, and has refused for seven days to give up possession.

(10) Agricultural machinery.

(11) Frames, looms, etc., used in woollen, cotton, or silk manufacture.

(12) Gas meters belonging to a gas company incorporated by Act of Parliament.

(13) Railway rolling stock in any works belonging to the tenant of the works.

Things which are conditionally privileged can only be taken if the other goods on the premises are insufficient to satisfy the claim of the landlord. Such things are:—

(1) Tools of trade. It would be contrary to public policy to allow these to be taken. Of course if they are in actual use they are absolutely privileged.

(2) Beasts of the plough and sheep. Colts, steers, and heifers are not exempt from seizure, nor are beasts of the plough if the only other subject of distraint is growing crops. Beasts of the plough can always be taken for poor-rates, whether there are other things on the premises or not.

For the protection of agriculturists, the 45th section of the Agricultural

Holdings Act, 1883, protects the live stock of any third person which has been brought on to an agricultural holding, as defined by the Act, to be fed at a fair price, so long as there is other sufficient things to distrain upon. Price does not necessarily mean money in this instance. An agreement known as "milk for meat" is sufficient to satisfy the section.

Entry and seizure having been effected, an inventory must be made of so much of the goods as will be sufficient on sale to pay the amount of the rent due. At the foot of the inventory a notice is added to the effect that if the tenant or the owner of the goods does not, within five days after the making of the distraint, replevy the same, they will be appraised and sold to pay the arrears of rent owing by the tenant. The inventory and notice must be served personally on the tenant, or left at the house, or other most conspicuous place on the premises charged with the rent for which the distraint is made. Unless the inventory and notice are duly served the seizure is invalid, and any subsequent sale of the goods will be illegal. The distrainor is entitled to remove the goods, and must keep them in safe custody, but it is usual to leave some person in possession to prevent a removal.

The fees that a bailiff is entitled to charge are given under *Bailiff*.

The tenant has a right to replevy, or redeem, the goods seized up to the time of their sale, upon payment of the costs incurred. The distrainor has no power to sell before the expiration of five complete days after the seizure, and these five days may be extended to fifteen if the tenant makes a request in writing to that effect to the distrainor, and gives security for the extra expenses incurred. There is no obligation upon the landlord to have the goods sold by auction, unless the tenant makes a written demand for this to be done, and the same rule applies to appraisement.

In a technical sense replevin is really a re-delivery of goods, which have been distrained upon, to the tenant or the owner, security being given that an action will be prosecuted against the distrainor for an alleged illegality or irregularity in the levying of the distraint. Proceedings must be taken in the county court, and may be commenced any time after the distraint has been levied before the goods are removed for sale. The registrar of the court will fix the amount of the security that must be given, and this may be either by way of a deposit of money, or of a bond with sureties. As soon as the security is completed the registrar issues a warrant to the high bailiff of the county court directing him to deliver the goods to the tenant or owner. The action comes on in its ordinary course, the point at issue being the legality or regularity of the distraint, and the landlord being the defendant.

It has been pointed out that a distraint is only possible upon the demised premises, with an exception in cases of fraudulent and clandestine removals, so long as the tenancy is subsisting, within thirty days of removal. If a landlord fails to obtain satisfaction, or neglects to distrain within the limits set by the law, he must take the same course as any other creditor, and sue in the High Court or a county court for whatever sum is owing to him, and not limited to six years' arrears of rent as in distraint.

DISTRIBUTION, STATUTES OF. Various statutes passed in the reigns of Charles II., William III., and Victoria, by which the distribution of the personal property of a person dying intestate is regulated.

After the payment of the debts, and the funeral and testamentary expenses of the deceased, the administrator (who is generally a near relative of the intestate) must divide the estate as follows, subject to this exception, that where the deceased has left a widow, and no children, and the net value of the real and personal estate does not exceed £500, the widow is entitled absolutely to the whole; and, under the same conditions, where the value of the estate exceeds £500, the widow has a first charge upon £500, without any prejudice to her interest and share in the residue of the deceased husband's estate after the payment of the £500.

Survivors of Intestate.	*Manner of Distribution.*
1. Wife and children.	One-third to wife, rest to children, equally, or to their lineal descendants.
2. Wife only.	Half to wife, rest to next of kin in equal degrees to intestate, or to their legal representatives.
3. Husband, with or without children.	Whole to husband.

4. Children and neither husband nor wife.	Equally amongst them.
5. Child and grandchild.	Half to child, half to grandchild, by representation.
6. Father, and any other relatives, but neither husband, nor wife, nor children.	Whole to father.
7. Mother, brothers, sisters.	Equally amongst them.
8. Wife, mother, brothers, sisters, and nieces.	Half to wife, half equally amongst the remainder.
9. Wife, mother, nephews, and nieces.	Half to wife, one-fourth to mother, one-fourth equally amongst the remainder.
10. Wife, brothers, sisters, and mother.	Half to wife, half equally amongst the remainder.
11. Mother only.	Whole to her.
12. Wife and mother.	One-half each.

This list supplies the whole of those claims which will have to be considered in the majority of cases where there is an intestacy. The claims of more distant relatives require further consideration and adjustment. There is no distinction made between children of the whole or half blood, and posthumous children take the same interest that they would have taken if born in the lifetime of their father. If advancements have been made to children during the lifetime of the parent, the amounts must be brought into account before the children advanced are entitled to a distributive share in the intestate's estate.

DISTRINGAS. This is a Latin word, signifying "that you distrain." It was the name of a writ which was issued formerly out of the High Court, to prevent a transfer of stocks or shares, or the payment of dividends upon the same. In place of the writ a notice is now served which fulfils the same object.

The notice, which now acts as a distringas, is for the purpose of preventing certain persons from dealing with funds in which other persons claim to have an interest. Application is made, in the first instance, to the High Court upon affidavit, and when certain formalities have been completed the notice is served upon the company or body sought to be affected by it. No dealing of any sort can then take place unless an eight days' notice is given to the parties who have claimed to be interested in the funds, that some transfer, etc., is contemplated. Within these eight days steps must be taken, if it is thought necessary, to obtain further protection, otherwise the effect of the distringas ceases.

DITTO. (Fr. *Dito, idem*, Ger. *ditto*, Sp. *Idem.*)

The meaning of this word, which is often contracted into "do.," is the same thing repeated, the same thing as before, a something in a like manner. It is derived from the Latin, *dictum*, the past participle of *dico*, I say.

DIVIDEND. (Fr. *Dividende*, Ger. *Dividende*, Sp. *Dividendo.*)

The term applied either to the money which is divided amongst the creditors of a bankrupt out of his estate, to the annual interest payable upon the National Debt and other public funds, and upon the shares in joint-stock companies.

In declaring a dividend upon the capital of a joint-stock company, the directors ought carefully to bear the following points in mind:—

(1) Dividends cannot be paid out of any fund except profits.

(2) Payment out of capital is *ultra vires*, as such a payment amounts to a reduction of the capital, and no reduction is possible except with the permission of the court.

(3) No authority given by the Memorandum or Articles of Association, or by a general meeting of the shareholders, can over-ride the law on this subject as set out in the Companies' Acts.

(4) Directors who are parties to an irregular payment of a dividend are jointly and severally liable to refund the amount of the same.

(5) If the directors are parties to the payment of a fictitious dividend in order to raise the price of the company's shares, they may be criminally indicted for conspiracy.

The dividend paid out of a bankrupt's estate depends upon the assets realized by the trustee. If it appears likely that the whole cannot be collected expeditiously, the trustee should declare and pay dividends from time to time, reserving the final dividend until he has collected the whole of the money which is obtainable.

The dividends payable upon the National Debt and public funds are fixed, and do not vary from year to year as the other two kinds of dividends.

Payment is made by a dividend warrant, which is an order or authority, generally issued upon a banker. The warrant must be stamped as a bill of exchange. But stamp duty is not payable upon coupons or warrants for interest which are attached to the security at the time of issue, nor to those warrants for the payment of interest or dividends out of Government funds.

DOCK. (Fr. *Dock*, Ger. *Dock*, Sp. *Dique*, *Darsena*.)

An enclosed space or artificial basin in the bank of a river or side of a harbour, contrived for the reception of ships. The word is probably derived from *dekken*, to dig or enclose.

DOCK AND TOWN DUES. (Fr. *Droits de dock et de ville*, Ger. *Dock- und Stadtgebühren*, Sp. *Gastós de dique y puertas*.)

These are peculiar to the port of Liverpool. They are chargeable on most goods exported from, or imported into, that city, the town dues being levied, as it seems, for the use of the port, whether a vessel carrying goods goes into the dock or not.

DOCK DUES. (Fr. *Droits de dock*, Ger. *Dockgebühren*, Sp. *Derechos de dique*.)

Tolls charged on vessels and their cargoes when entering or leaving docks. These dues are charged to cover the interest on the capital and the cost of keeping the docks in order.

DOCKETS. (Fr. *Bordereaux*, Ger. *Inhaltsangabe*, Sp. *Rótulos extractos*.)

Slips or tickets. The word is generally applied to summaries of the principal contents of letters and other documents.

DOCK WARRANTS. (Fr. *Warrants de dock*, Ger. *Quaischeine*, Sp. *Warrants de Dique*.)

Documents giving title to goods stored or warehoused in docks or other places of deposit. Warrants are granted in favour of any person whom the proprietor of the goods indicates. They are negotiable instruments, and the indorsement and delivery of a warrant transfers the property in the goods named to the indorsee. On the presentation of the dock warrant, the warehouse keeper is bound to deliver up the goods; but it is the usual practice for the holder of the warrant to leave it at the warehouse, and to take possession of the goods at such times and in such quantities as he requires them by means of delivery orders. Dock warrants are often deposited with bankers as a security for advances. They require a threepenny stamp.

DOCUMENT. (Fr. *Document*, Ger. *Dokument*, *Urkunde*, Sp. *Documento*.)

Any specific paper or writing.

DOCUMENT BILLS. (Fr. *Billets documentés*, Ger. *Wechsel mit Dokumenten*, Sp. *Documentación*.)

A term used to indicate a set of bills of exchange having the bill of lading, invoice, and policy of insurance attached to them, the latter documents being available in the event of the bills of exchange not being duly honoured at maturity.

DOCUMENT CREDIT. (Fr. *Avoir documenté*, Ger. *Kreditbrief mit Dokumenten*, Sp. *Documento de crédito*.)

The term given to a letter of credit when the latter is issued, on condition that certain named securities shall be deposited as a collateral security for the money advanced.

DOIT. (Fr. *Centime*, Ger. *Deut*, Sp. *Céntimo*.)

A small piece of Dutch copper money, also called "duit," in value about the eighth part of a stiver, or half a farthing.

DOLLAR. (Fr. *Dollar*, Ger. *Dollar*, Sp. *Peso, duro, dollar*.)

The name of a coin in circulation in the United States and elsewhere. The value of the American dollar, in the scale of coins adopted, is equal to 100 cents, 10 dimes, or one-tenth of an eagle. In exchange its value is about 4*s*. 1½*d*. sterling. The Prussian dollar, or thaler, is worth 3*s*. sterling; in other parts of Germany the value of the dollar varies.

DOMICILE. (Fr. *Domicile*, Ger. *Domicil*, Sp. *Domicilio*.)

This term does not admit of precise definition, but it may be said to indicate generally the place where a person has his true, fixed, and permanent home, and to which, whenever he is absent, he has the intention of returning at some time or other. It is frequently extremely difficult to decide, where a person changes his place of residence, what is his particular domicile at any particular time, yet it is most important to decide it, since it is the law of the domicile which decides the capacity to contract in all the most important private affairs of life. In the ordinary mercantile contracts, perhaps, it is the law of the country where the contract is made which governs the capacity to contract; but the point is not quite free from doubt.

No person can be without a domicile. If he changes from place to place, and has no fixed determination of fixing his permanent abode in any particular

country, the law of England presumes that he has reverted to the domicile of his origin. It is the combination of the two things, residence and intention to remain, that are the most important factors in deciding where a person has his domicile, and without these two it is assumed that there is an intention to return to the original abode.

There are three kinds of domicile—origin, choice, and by operation of law. The domicile of origin is that which a person receives at his birth. In the case of a legitimate child, born during the lifetime of its father, the domicile is that of the father at the moment of birth. An illegitimate or posthumous child takes the domicile of the mother, whilst a foundling is domiciled in the country where it is born or found. The domicile of choice is that which a person *sui juris* fixes upon for himself, and is acquired by the combination of residence and the intention of permanent or indefinite residence in the new place of abode. The domicile of origin is retained until a domicile of choice is in fact acquired, and the domicile of choice is retained until it is abandoned either by the acquisition of a new domicile of choice, or the resumption of the domicile of origin. The domicile by operation of law is that which the law presumes, either from the dependent condition of the person, or from the circumstances of the case, when it is not clear what the exact intentions of the party were as to his future residence. Thus, the domicile of a wife is always the same as that of her husband and of a minor that of his parent or guardian. The domicile of a corporation is the place which is considered by law to be the centre of its affairs. In the case of a trading corporation this is its principal place of business, or where its administration is chiefly carried on, and in the case of any other corporation it is the place where its functions are discharged.

Domicile must be kept quite clear from nationality. A foreigner may settle in England with the full intention of remaining here, and yet although domiciled may not become naturalized. He retains his nationality, which is different from his domicile. Nationality is of political importance in many cases, and each country has its own peculiar laws by which its subjects are bound, whatever their domicile, and which it may enforce against them either by international privileges accorded, or on their chance return to their native land. Domicile has to do with commercial and domestic matters simply, and regulates the ordinary transactions of every-day life. The importance of the determination of domicile will be seen more fully in the *Conflict of Laws*.

DOMICILED BILL. (Fr. *Billet domicilié*, Ger. *domizilierter Wechsel* Sp. *Letra domiciliada.*)

A bill not made payable at the residence or place of business of the acceptor, but one wherein the place of payment is inserted at the time of his acceptance.

DONATIO MORTIS CAUSA. A Latin phrase, signifying a gift made in contemplation of death. Such a gift is evidenced either by the manual delivery on the part of the donor, or by some other person in his presence and at his request to the donee, or to an agent of the donee, either of the property itself which is the subject of the gift, or of the means of obtaining the same. There is always the implied condition that the gift is only to take place absolutely in the event of the death of the donor from his existing malady before any revocation has been made. Many disputes have arisen as to what may form the subjects of a valid gift of this description. The gift of a bond, a mortgage deed, and a promissory note or cheque payable to the donor or his order, even though not indorsed, have been held to be good *donationes*, but receipts for annuities, railway scrip, and the donor's own cheque cannot be transferred to the donee in this manner.

A *donatio mortis causâ* differs from a legacy in that it takes effect, *sub modo*, from the time of delivery, and requires no assent on the part of the executor. It differs from a gift *inter vivos* in that it is revocable during the lifetime of the donor, is liable to the payment of the debts of the donor on a deficiency of assets, and is subject to estate and legacy duty.

DOUBLE ENTRY. (Fr. *En partie double*, Ger. *doppelte Buchführung*, Sp. *Partida Doble.*)

The system of book-keeping, in which two entries are made of every transaction, in order that the one entry may check the other.

DOUBLOON. (Fr. *Doublon*, Ger. *Dublone*, Sp. *Doblón.*)

A Spanish and Portuguese gold coin of the value of two pistoles. During the eighteenth century the value of the doubloon varied considerably at differ-

ent times. Prior to 1772, it had been worth as much as £3 1*s.* 10*d.* In that year the pieces were called in, but the coin was subsequently re-issued at the value of £3 4*s.* 8*d.* The *doblon de Isabella*, issued in 1848, was worth £1 0*s.* 8*d.*

DRACHMA. (Fr. *Drachme*, Ger. *Drachme*, Sp. *Dracma.*)

A Greek silver coin, having the circulating value of about 9½*d.*

DRAFT. (1) (Fr. *Mandat*, Ger. *Tratte, Wechsel*, Sp. *Orden.*)

An order by which money is drawn from a bank, and also the money thus drawn.

(2) (Fr. *Esquisse*, Ger. *Skizze*, Sp. *Diseño.*)

Anything sketched roughly, or in outline.

(3) (Fr. *Brouillon*, Ger. *Entwurf*, Sp. *Borrador.*)

The first copy of a document.

(4) (Fr. *Tirant*, Ger. *Tiefgang*, Sp. *Fondo.*)

The depth to which a ship sinks in the water.

(5) (Fr. *Traite*, Ger. *Anweisung*, Sp. *Libranza.*)

A bill of exchange.

(6) (Fr. *Surusage*, Ger. *Gutgewicht*, Sp. *Merma.*)

An allowance made by a wholesale merchant or manufacturer to a retailer for dust, waste by evaporation, and the turn of the scale.

DRAIN OF BULLION. (Fr. *Epuisement du numéraire*, Ger. *Geldabfluss*, Sp. *Retiro de especies.*)

A phrase used in the money market for the flowing away of the reserve of gold and silver, either in specie or in bullion, to such an extent as if not checked, would soon leave insufficient in the country to meet the requirements of trade.

DRAWBACK. (Fr. *Drawback, prime*, Ger. *Zurückerstattung des Zolles, Aus fuhrprämie*, Sp. *Rebaja, bonificación.*)

A term used to signify the sum paid back by the Government upon certain classes of goods exported, on which duty has been already paid. The object of this repayment is to enable the exporter to compete in foreign markets on an equal footing with merchants of other nations. If the amount repaid exceeds the sum paid as duty it partakes of the nature of a bounty. Goods upon which drawbacks are to be claimed require to be examined and certified by a revenue officer, on whose certificate a debenture is granted, entitling the owner to receive the drawback, which is allowed only on goods on which the duty has been paid within three years, and can only be demanded within two years of shipment. No other person than the real owner of the articles shipped can receive the drawback. No drawback is given on damaged or decayed goods.

DRAWEE. (Fr. *Tiré*, Ger. *Acceptant, Trassat*, Sp. *Aceptador.*)

The person upon whom a bill of exchange is drawn. He incurs no liability upon the instrument until he has signed it. He then becomes the acceptor.

The drawee must be named or indicated with reasonable certainty. There may be two or more drawees, but if there are several they must not be alternative or successive.

If the drawee is a fictitious or non-existent person, or one having no capacity to contract, a holder in due course may treat the instrument either as a bill of exchange or a promissory note. (See *Acceptance, Acceptor.*)

DRAWER. (Fr. *Tireur*, Ger. *Aussteller, Trassant*, Sp. *Girador.*)

The person who draws a bill of exchange upon a second person.

The drawer must be a person who has the capacity to incur liability on a bill. If, for instance, a bill is drawn by an infant or a corporation, though there is no liability attaching to either of them, payment may be enforced against any other party thereto.

The drawer of a bill engages that on due presentment it shall be accepted and paid according to its tenor, and that if it is dishonoured he will compensate the holder or any indorser who is compelled to pay it, provided that the requisite proceedings on dishonour have been duly taken.

DRAWN BONDS. (Fr. *Bons à tirer périmés*, Ger. *gezogene Wertpapiere*, Sp. *Bónos sorteados.*)

Bonds which have been drawn at one of the periodical drawings for payment on a certain date, and after which time all interest upon them will cease.

DRUG IN THE MARKET. (Fr. *Ce qui ne se vend pas, rossignol, vieille marchandise invendable*, Ger. *unverkäufliche Waren*, Sp. *Cosa invendible.*)

Any unsaleable commodity that lies on hand. Goods of any description are said to be a drug in the market when the supply is so great as to cause them to be quite unsaleable.

DRY DOCK. (Fr. *Bassin d'échouage*, Ger. *Trockendock*, Sp. *Dique seco.*)

A dock from which water is withdrawn,

and in which vessels can be repaired.

DRY GOODS. (Fr. *Etoffes*, Ger. *Ausschnittwaren*, Sp. *Mercancias.*)

These include drapery as distinguished from grocery.

DRYSALTER. (Fr. *Marchand de salaisons*, Ger. *Fleischwarenhändler*, *Farbwarenhändler*, Sp. *Escabechero.*)

A dealer in salted or dried meats, pickles, etc.; or in gums, dyes and drugs.

DUNNAGE. (Fr. *Fardage*, Ger. *Schiffsgarnirung*, Sp. *Fardáge.*)

Pieces of wood, planks, matting, and every other kind of article, used for the purpose of stowing and protecting the cargo of a vessel, and also for the protection of the vessel itself.

DUODECIMALS. (Fr. *Duodécimales*, Ger. *Duodecimale*, Sp. *Duodecimales.*)

Computations by means of twelves. It is a kind of calculation used principally by builders.

DUODECIMO. (Fr. *In-douze*, Ger. *Duodezformat*, Sp. *Duodécimo.*)

The usual contraction of this word is 12mo. It signifies a book formed of sheets folded so as to make twelve pages.

DUPLICATE. (Fr. *Duplicata*, Ger. *Duplikat*, *Kopie*, Sp. *Duplicado.*)

A copy, transcript or counterpart.

DUTCH AUCTION. (Fr. *Adjudication au rabais*, Ger. *holländische Auktion*, Sp. *Almoneda.*)

An auction in which an article is put up at a certain price which is gradually lowered until some person closes with the offer.

DUTIES. (Fr. *Droits*, Ger. *Zölle*, Sp. *Derechos.*)

Taxes levied upon merchandise and manufactures. Those which are imposed upon goods coming into a country are called customs, those levied upon articles of home manufacture are called excise. The amount of duties varies from time to time, owing to the exigencies of national expenditure. (See *Customs.*)

E. This letter occurs in the following abbreviations :—

E.E., Errors excepted.

e.g., for example.

E. & O. E., Errors and omissions excepted.

Ex. d., or x/d, Ex-dividend.

Ex. cp., or xcp., Ex-coupon.

Ex.-Int., Ex-Interest.

EARNEST, or EARNEST MONEY. (Fr. *Arrhes*, Ger. *Handgeld*, *Kaufschilling*, Sp. *Señal.*)

A sum of money, generally a nominal one, given in token of a bargain that has been made.

Earnest is one of the alternative requirements of the Sale of Goods Act, 1893, as evidence of the sale of goods of the value of £10 or upwards.

ECUADOR. Ecuador lies on the Pacific coast, between Colombia and Peru. The area is nearly five times that of England. The population is estimated at a million and a quarter, more than half of it consisting of Indians. Agriculture is in a backward state. Cocoa is the staple product. The minerals comprise gold, sulphur, lead, iron, copper, and emeralds. Extensive forests afford timber suitable for ship-building and cabinet work. The manufacture of "Panama" hats is a leading industry.

The roads are very poor, even in the dry season; and during the several wet months of the year they are impassable. Freight and merchandise are transported by pack-animals. There are two short railways from the east to the interior.

Trade is carried on chiefly with Great Britain. Cocoa is the principal export; rubber, hides, copper, vegetable ivory, barks, precious metals, and Panama hats are also articles of traffic.

Quito, the capital and largest city, is nearly on the equator, at an altitude of about 10,000 feet. Guayaquil is the principal seaport. Guayaquil is the only place of much importance, and most of the shipments of cocoa, rubber, hides, and bark pass through this port.

There are British consular representatives at Guayaquil and Quito, and Ecuador is represented in the United Kingdom by a Consul-General in London, and by vice-consuls at Birmingham, Cardiff, Falmouth, Glasgow, Hull, Liverpool, Manchester, and Southampton.

The regular mail communication is fortnightly, via Southampton. Guayaquil is 6,550 miles distant from London, and the time of transit is twenty-four days. The cost of telegrams is 5*s.* 9*d.* per word.

EGYPT. Egypt is a vast but ill-defined area of north-eastern Africa, which contains the basin of the Nile for about 800 miles above the delta. Nominally it is governed by a chief ruler called the Khedive, as a dependency of the Turkish Empire; but, in reality, the British are in possession of the country, and the Khedive governs according to British "advice." The Isthmus of Suez is in Egyptian territory, and, since the opening of the Suez Canal, the control of this work and its approaches has

been necessary to the security of the vast British commerce which uses it.

The foreign commerce of Egypt is mainly with Great Britain. The exports to the United Kingdom are of the yearly value of £11,500,000.

The principal imports from the United Kingdom reach £5,000,000.

Alexandria, in the north-western part of the Nile delta, is the chief seaport. Cairo, at the head of the delta, is the capital and largest city. There are lines of railway connecting the cities of the delta country with one another and with the Suez Canal.

The Suez Canal connects the Mediterranean Sea with the Gulf of Suez, and thus with the Red Sea. This canal was opened for traffic in 1869, having been ten years in course of construction, at a cost of £20,000,000. The surface of the country through which the canal passes is very low, and, in parts, beneath the level of the sea. These depressions, now filled with water, are the lakes in the course of the canal.

The whole length of the canal is 88 miles, of which 66 are canal proper, and 22 are lakes. The depth of the canal is 26 feet, and the width of its floor is 72 feet. Every five or six miles there are side basins, where large vessels can moor for the night. The channel through the lakes is marked by iron beacons, set at short distances from one another. The Suez Canal is, with the exception of the Corinth Canal, the only great canal in the world built without locks.

At the northern end of the canal is Port Said, a great coaling station. Its harbour is artificial, being protected by breakwaters of concrete blocks. The harbour contains three great basins, with piers and warehouses. At the southern extremity of the canal is Suez, a much smaller place. About midway of the canal is Ismailia, a small railway town. All three of these places owe their existence to the canal. All movements of ships are regulated from these towns by telegraph. Three quarters of the total shipping using the canal are British. Aided by the British, the Egyptian Government has reconquered the Soudan, Khartoum and Omdurman being taken on September 2, 1898. It has been divided into the three provinces of Khartoum, Kordofan, and Fashoda.

There are British consular representatives at Alexandria, Assouan, Birket-es-Saba, Cairo, Mansurah, Port Said, Suakin, Suez, Tanta, and Zagazig.

The regular mail service is a weekly one, every Friday, but there are also supplemental mails by Austrian, French and Italian packets. Cairo is 2,520 miles distant from London. The time of transit is six days. The cost of telegrams varies from 1*s.* 7*d.* per word for Alexandria, to 2*s.* 6*d.* per word for Suakin.

EJECTMENT. (See *Landlord and Tenant.*)

ELEGIT. This is the name of a writ issued after judgment, ordering the sheriff to place the execution creditor in possession of the whole of the lands of the debtor, which are to be held until the judgment is satisfied. Formerly the sheriff was enabled to seize the goods of the debtor as well as his lands under this writ, but since the Bankruptcy Act, 1883, a writ of elegit no longer extends to goods. No judgment affects land so as to form a charge upon it until it has been actually taken in execution by the sheriff.

EMBARGO. (Fr. *Embargo*, Ger. *Beschlag, Embargo*, Sp. *Embargo.*)

A Government prohibition of ships from leaving a port for a certain time, or a stoppage of trade between certain ports by authority. The prohibition is generally imposed by belligerent states in time of war.

EMPLOYERS' LIABILITY ACT, 1880. At common law no employer is liable for any injury to one of his servants, unless it is proved that he has been guilty personally of negligence, and that such negligence has really caused the accident. This is in many cases a great hardship to a servant, for with business growing more and more complex, and the number of persons employed in any particular trade continually increasing, an employer is bound to appoint subordinates to positions of superintendence, and to leave the main control in many hands. It was judicially held, more than half a century ago, that all persons engaged by an employer were in a position of common employment. It is, therefore, obvious that at common law a workman could rarely have a remedy in the case of accident, because the employer did not interfere with the details of the business, and there was no duty on the part of one servant to exercise care in matters which might concern the safety of another. And in the case of companies and corporations it is clear that no claim for compensation could ever arise, since the actual employer took no part in the working of the business at all.

It was to remedy this defect of the common law that the Act of 1880 was passed. It has not destroyed the doctrine of common employment altogether, but it has made the employer responsible for the acts of those of his subordinates who are placed in a position of superintendence, or in charge of machinery, plant, etc., whether their position is one of superintendence or not. The Act, moreover, does not go so far as the Workmen's Compensation Act of 1897. But since the latter Act is somewhat limited in its application, there are cases in which the Employers' Liability Act must still be resorted to by an injured workman, as there are others in which the old common law is preferable to either, and to which the workman must appeal if he has any right of action at all.

A well known authority on the subject has thus summed up the general effect of the Act. "Before the Act was passed a workman could only recover, if injured in his employment, when he could prove that the employer has personally been guilty of negligence which led to the injury, and which in the case of large employers was almost, and in the case of corporations quite impossible. Now, he will also be *primâ facie* entitled to recover where the employer—be he private employer or corporation—has delegated his duties or powers of superintendence to other persons, and such other persons have caused injury to the workmen by negligently performing the duties and powers delegated to them."

The duration of the Act was limited in the first instance to seven years, but it has since been kept in force year by year by being inserted annually in the Expiring Laws Continuance Act.

There are some difficult technical points to be considered in connection with the Act, but the text itself gives a fairly clear idea of the reponsibility imposed upon an employer, and of the duties which devolve upon his subordinates. It is accordingly given *in extenso*.

1. Where after the commencement of this Act personal injury is caused to a workman

(1) By reason of any defect in the condition of the ways, works, machinery, or plant connected with or used in the business of the employer; or

(2) By reason of the negligence of any person in the service of the employer who has any superintendence entrusted to him whilst in the exercise of such superintendence; or

(3) By reason of the negligence of any person in the service of the employer to whose orders or directions the workman at the time of the injury was bound to conform, and did conform, where such injury resulted from his having so conformed; or

(4) By reason of the act or omission of any person in the service of the employer done or made in obedience to the rules or byelaws of the employer, or in obedience to particular instructions given by any person delegated with the authority of the employer in that behalf; or

(5) By reason of the negligence of any person in the service of the employer who has the charge or control of any signal, points, locomotive engine, or train upon a railway,

the workman, or in case the injury results in death, the legal personal representatives of the workman, and any persons entitled in case of death, shall have the same right of compensation and remedies against the employer as if the workman had not been a workman of nor in the service of the employer, nor engaged in his work.

2. A workman shall not be entitled under this Act to any right of compensation or remedy against the employer in any of the following cases, that is to say:—

(1) Under subsection one of section one, unless the defect therein mentioned arose from, or had not been discovered or remedied owing to the negligence of the employer, or of some person in the service of the employer, and entrusted by him with the duty of seeing that the ways, works, machinery, or plant were in proper condition.

(2) Under subsection four of section one, unless the injury resulted from some impropriety or defect in the rules, byelaws, or instructions therein mentioned; provided that where a rule or byelaw has been approved or has been accepted as a proper rule or byelaw by one of His Majesty's Principal Secretaries of State, or by the Board of Trade, or any other department of the Government under or by virtue of any Act of Parliament, it shall not be deemed for the purposes of this Act to be an improper or defective rule or byelaw.

(3) In any case where the workman knew of the defect or negligence which caused his injury, and failed within a reasonable time to give, or cause to be

given, information thereof to the employer or some person superior to himself in the service of the employer, unless he was aware that the employer or such superior already knew of the said defect or negligence.

3. The amount of compensation recoverable under this Act shall not exceed such sum as may be found to be equivalent to the estimated earnings, during the three years preceding the injury, of a person in the same grade employed during those years in the like employment and in the district in which the workman is employed at the time of the injury.

4. An action for the recovery under this Act of compensation for an injury shall not be maintainable unless notice that injury has been sustained is given within six weeks, and the action is commenced within six months from the occurrence of the accident causing the injury, or, in case of death, within twelve months from the time of death: provided always, that in the case of death, the want of such notice shall be no bar to the maintenance of such action if the judge shall be of opinion that there was reasonable excuse for such want of notice.

5. There shall be deducted from any compensation awarded to any workman, or representatives of a workman or persons claiming by, under, or through a workman in respect of any cause of action arising under this Act, any penalty or part of a penalty which may have been paid in pursuance of any other Act of Parliament to such workman, representatives, or persons in respect of the same cause of action; and where an action has been brought under this Act by any workman, or the representatives of any workman, or any persons claiming by, under, or through such workman, for compensation in respect of any cause of action arising under this Act, and payment has not previously been made of any penalty or part of a penalty under any other Act of Parliament in respect of the same cause of action, such workman, representatives, or person shall not be entitled thereafter to receive any penalty or part of a penalty under any other Act of Parliament in respect of the same cause of action.

6. (1) Every action for recovery of compensation under this Act shall be brought in a county court, but may, upon the application of either plaintiff or defendant, be removed into a superior court in like manner and upon the same conditions as an action commenced in a county court may by law be removed.

(2) Upon the trial of any such action in a county court before the judge without a jury, one or more assessors may be appointed for the purpose of ascertaining the amount of compensation.

(3) For the purpose of regulating the conditions and mode of appointment and remuneration of such assessors, and all matters of procedure relating to their duties, and also for the purpose of consolidating any actions under this Act in a county court, and otherwise preventing multiplicity of such actions, rules and regulations may be made, varied and repealed from time to time in the same manner as rules and regulations for regulating the practice and procedure in other actions in county courts.

County court shall, with respect to Scotland, mean the Sheriff's Court, and shall, with respect to Ireland, mean the Civil Bill Court.

In Scotland any action under this Act may be removed to the Court of Session at the instance of either party, in the manner provided by, and subject to the conditions prescribed by, section nine of the Sheriff Courts (Scotland) Act, 1877.

In Scotland the sheriff may conjoin actions arising out of the same occurrence or cause of action, though at the instance of different parties and in respect of different injuries.

7. Notice in respect of an injury under this Act shall give the name and address of the person injured, and shall state in ordinary language the cause of the injury and the date at which it was sustained, and shall be served on the employer, or, if there is more than one employer, upon one of such employers.

The notice may be served by delivering the same to or at the residence or place of business of the person on whom it is to be served.

The notice may also be served by post by a registered letter addressed to the person on whom it is to be served at his last known place of residence or place of business; and, if served by post, shall be deemed to have been served at the time when a letter containing the same would be delivered in the ordinary course of post: and, in proving the service of such notice, it shall be sufficient to prove that the

notice was properly addressed and registered.

Where the employer is a body of persons corporate or unincorporate, the notice shall be served by delivering the same at or by sending it by post in a registered letter addressed to the office, or, if there be more than one office, any one of the offices of such body.

A notice under this section shall not be deemed invalid by reason of any defect or inaccuracy therein, unless the judge who tries the action arising from the injury mentioned in the notice shall be of opinion that the defendant in the action is prejudiced in his defence by such defect or inaccuracy, and that the defect or inaccuracy was for the purpose of misleading.

8. For the purposes of this Act, unless the context otherwise requires,—

The expression "person who has superintendence entrusted to him," means a person whose sole or principal duty is that of superintendence, and who is not ordinarily engaged in manual labour;

The expression "employer" includes a body of persons corporate or unincorporate;

The expression "workman" means a railway servant and any person to whom the Employers' and Workmen's Act, 1875, applies.

The burden of proof is always on the workman to prove some negligence on the part of the employer or of a person in a position of superintendence, but sometimes the circumstances are such that the law will presume negligence without any special proof being adduced. The legal maxim *res ipsa loquitur, the thing speaks for itself*, applies. In the same way an employer is not prevented by anything in the Act from setting up the defences of contributory negligence on the part of the workman, or that the workman has voluntarily and knowingly accepted the risks of the employment. As to the former, if has been well said that a plaintiff cannot recover damages if, but for his own negligence, the accident would not have happened, though there was negligence on the part of the defendant. As to the latter, it is really a question for a jury to decide whether the workman has placed himself in such a position as to preclude him from making a claim for injuries upon his employer. In one of the leading cases upon this point, it was said: "It is no doubt true that the knowledge on the part of the injured person, which will prevent him from alleging negligence against the employer, must be a knowledge under such circumstances as leads necessarily to the conclusion that the whole risk was voluntarily incurred. The maxim, be it observed, is not *scienti non fit injuria*, but *volenti*. It is plain that such knowledge may not be a conclusive defence—but where the danger is one incident to a perfectly lawful use of his own premises, neither contrary to statute nor common law, where the danger is visible and the risk appreciated, and where the injured person, knowing and appreciating both risk and danger, voluntarily encounters them, there is, in the absence of further acts of omission or commission, no evidence of negligence on the part of the occupier at all. Knowledge is not a conclusive defence in itself. But when it is a knowledge under circumstances that leave no inference open but one—namely, that the risk has been voluntarily encountered—the defence seems to me complete."

It will be seen from the wording of the Act that this is an exception to the common law maxim, *actio personalis moritur cum personâ*.

An important point is made of the notification of the accident from which the injury arises. Unless some strict limit of time were imposed, an employer might be deprived of the opportunity of collecting evidence and preparing his defence, or be seriously hampered in the same.

There is nothing to prevent a workman from contracting outside the Act, that is, agreeing with his employer that no compensation shall be claimable or paid for any accident which may arise in the course of the employment.

From the county court there is a right of appeal to the Divisional Court of the High Court of Justice, and afterwards, by leave, to the Court of Appeal and afterwards to the House of Lords. (See also *Workmen's Compensation Act*, 1897.)

EMPORIUM. (Fr. *Entrepôt*, Ger. *Stapelplatz*, Sp. *Depósito.*)

The term applied to receptacles, in which wholesale merchants are accustomed to stow their goods in seaport or other towns. It is derived from the Greek, *emporion*, a trading-place.

ENDORSE. (See *Indorse.*)

ENDORSEMENT. (See *Indorsement.*)

ENDOWMENT. (Fr. *Dotation*, Ger. *Aussteuer*, Sp. *Dote.*)

The application of a fixed sum of

money for some special purpose, or the creation of a fund to provide for the maintenance of a charity or public institution. It also signifies a fixed sum of money, payable at the end of a certain number of years, in the event of a person surviving the given time.

Endowment policies are now greatly favoured in life insurances. The premiums are only payable for a stated number of years, if the assured lives so long, whilst the amount for which the insurance is effected is payable at the end of a fixed number of years, or at death, whichever happens first.

ENFACED PAPER. (Fr. *Rente indienne*, Ger. *indische Schatzscheine*, Sp. *Pagaré del Gobierno Colonial.*)

A term given to the promissory notes of the Indian Government, known in the market as "rupee paper," when they bear a notification that the interest upon them can be collected by presenting the notes at the Bank of England. The interest is paid by drafts payable in India, and these are readily bought at the current rate of exchange by money dealers and others, and sold to parties having remittances to send out there.

ENGLAND AND WALES. *Generally.*—England, with Wales, forms by far the larger part of the island of Great Britain, being about two-thirds of the size of the whole island. The area of England amounts to 50,823 square miles; that of Wales to 7,363. The combined area is, therefore, 58,186 square miles. The greatest length is 430 miles, and the greatest breadth 370 miles. The population of England, in 1901, was 30,805,466, and of Wales, 1,720,609.

Mountains.—Wales and the western side of England are, generally speaking, mountainous. The chief ranges have been classed under three systems:—

(1) The Devonian Range, stretches from Somerset through Devonshire into Cornwall, and ends at Land's End; the loftiest points in this range are from 1,400 to a little over 2,000 feet high, Yes Tor, the highest point, being 2,077 feet above the level of the sea.

(2) The Cambrian Range includes all the mountains of Wales, its highest point being Snowdon, 3,571 feet above sea-level.

(3) The Pennine Range stretches from Derbyshire to the southern boundary of Scotland, its loftiest point being Cross Fell, 2,900 feet high.

(4) The Cumbrian Group, with three summits more than 3,000 feet high, fills up most of Cumberland and Westmoreland. The highest peaks are Scaw Fell, 3,166 feet, Helvellyn, 3,050 feet, and Skiddaw, 3,022 feet.

Rivers.—Owing to the limited extent of England, it contains no rivers of continental magnitude but there are, nevertheless, some fine navigable streams of great commercial value, such as the Thames, Tyne, and the Humber rivers—the Ouse and the Trent—on the eastern side of the country; and the Mersey and the Severn, on the western side. The Tees, the Wear, the Dee, and the Bristol Avon, are minor, but not inconsiderable streams.

Geological Structure.—The surface of England includes specimens of the whole series of rocks, from the earliest, which are found in the mountains of the west, to those of latest formation.

In Cornwall and Devonshire, hills of granite, serpentine, and felspar-porphyry occur, while the slopes resting on them are composed of different kinds of slate. The granite of this district is much used for paving, although it is considered less durable and hard than that brought from Scotland. From the decomposed granite is prepared kaolin, or china-clay, for the "Potteries" of Staffordshire.

The Welsh Mountains are composed chiefly of varieties of slate, with some intermixture of volcanic rocks, while a rich coalfield, 100 miles in length, and of varying breadth, rests upon their southern verge, extending from Glamorgan into Pembrokeshire, being the largest coalfield in Great Britain. The Cumbrian Group of mountains is chiefly composed of slate rocks, there being only one mountain of granite—Shap Fell.

Between these ranges of mountains, and a line drawn from Exmouth through Bath, Gloucester, Leicester, Nottingham, to Stockton-upon-Tees, the surface of the country is composed chiefly of stratified rocks, including rich beds of coal, the existence of which, at or near the surface, is mainly what has enabled England to become the first manufacturing country in the world.

The eastern parts of the county of Northumberland, from the River Tees, northward, nearly to Alnwick, form a very valuable coalfield of numerous beds, from which much of the coal used in London and other places in the east of England is taken. The Cleveland iron district of the North Riding of Yorkshire is also supplied with coal from this Northumberland and Durham Coalfield.

Another coalfield of great value, and

upon which the manufacturers of Manchester and the neighbouring towns depend, is the South Lancashire Coalfield. It extends, northward, from Macclesfield, nearly to Preston; westward, to Prescot, near Liverpool; and, eastward, to the Penninos.

To the east of the South Lancashire Coalfield lie the coal measures of Yorkshire, Nottinghamshire and Derbyshire, one long stretch of coal-beds, extending from Nottingham and Derby, in the south, to Leeds and Bradford, in the north, a distance of more than sixty miles, with an average width of twenty.

The Whitehaven Coalfield lies along the eastern coast of the Irish Sea, from Whitehaven to Maryport, and then inland, forming an arc about thirty miles long. The iron district of Furness, as well as the manufacturers of Belfast, draw part of their coal supplies from this source.

Turning southward, there are the Shropshire Coalfields, which include those of the Forest of Wye, of Coalbrook Dale, and of the Plain of Shrewsbury. To the east of these are the South Staffordshire Coalfield, between Birmingham and Wolverhampton; the Warwickshire Coalfield, to the north of Coventry; and that of Ashby-de-la-Zouch, in Leicestershire. The North Staffordshire, or Potteries Coalfield, may be said to extend over at least 150 square miles.

About twelve miles from Bath is the Somerset Coalfield, a curved tract of country, about twelve miles long and three miles wide. To the north is the Bristol Coalfield, of about the same size as the last.

The average coal output of the United Kingdom is about 220 million tons, which is valued at about 68 millions sterling. This is chiefly raised in the following counties, the figures giving the value of the product in millions sterling:—Durham, 9.0; Glamorgan, 8.5; Yorkshire, 7.9; Lancashire, 6.7; Staffordshire, 4.1; Lanark, 4.0; Derbyshire, 3.5; Monmouthshire, 3.1; Northumberland, 2.6; Nottingham, 2.0; Fifeshire, 1.2.

To the east of the imaginary line drawn from Exmouth to Stockton-upon-Tees, the rocks found in succession are red sandstone and red marl; lias-limestone and lias-clay; oolitic-limestone: greensand, with clay; and, finally, chalk.

Connected with the red marl, great beds of rock salt are found; and these are extensively worked in Cheshire and Worcestershire. The salt mines of Northwich are the most remarkable; for here the quarries, with their pillars and crystal roof, extending over many acres, form a fine sight. At Nantwich and Middlewich in Cheshire, Droitwich in Worcestershire, and Weston in Staffordshire, there are salt springs. The salt manufacturers sink shafts to enable them to reach the brine, which they pump up and then extract the salt by evaporation.

Rock salt is mined in Lancashire and Cheshire; brine salt in the same counties, and also in Staffordshire, Durham, Worcestershire, and Yorkshire.

The lias formation, which extends from Lyme, in Dorsetshire, to Whitby, in Yorkshire, is remarkable for the remains of extinct gigantic reptiles.

Beds of oolitic limestone, so called from the small egg-like concretions contained in it, cover the southern parts of Gloucestershire, the greater part of Oxfordshire, Northamptonshire and Rutlandshire. Portland stone, so extensively used for building purposes, which is quarried at Portland, belongs to this class of rocks, and so does the building stone of Bath.

Chalk exists nearly everywhere to the south-east of a line commencing on the south coast near Dorchester, and passing through Wiltshire, Berkshire, Norfolk, and so, onward, to Flamborough Head, excepting in parts of Sussex and Kent, where it has been removed by denudation, exposing a peculiar formation, called the Wealden; and in the basin of the Thames, around London, and one or two other places, where later beds of clay occur.

Metals and Minerals.—Tin ore, containing about 75 per cent. of the pure metal, is found in thick veins or vertical beds in the granite of Cornwall, where it has been worked for ages, farther back than the Roman conquest of Britain. The principal mines are near Camborne, Illogan, and Penzance, and the yield is worth about a quarter of a million sterling.

Copper ore is found in Cornwall, Devonshire, Merioneth, and Anglesey. The Cornish copper is generally found in the deeper parts of the veins of tin, and as a continuation of them; and, in several of the same veins, lead, antimony, and zinc are also found.

Next in importance to coal as a mineral product is iron, which is extensively diffused through the country, though chiefly worked only where coal and lime-

stone, in some form or other, occur in the same neighbourhood. Much of the iron for which Great Britain is so famous is manufactured in the Cleveland District of Yorkshire, round Guisbrough, where the thriving town and port of Middlesbrough on the Tees has grown up so rapidly. Next in order of productiveness, comes Cumberland, where important iron smelting districts are to be found round Egremont and Millom. In North Lancashire is the Furness District, so noted for its hematite, with furnaces round Askam, Dalton, Furness, and Lindal. In Staffordshire are the ironworks of Coalbrook Dale. In Lincolnshire and Northamptonshire there are some oolitic sands which yield quantities of siliceous ironstone. The total annual value of the iron ore raised in Great Britain is about 3¼ millions sterling; and this ore, when converted into pig iron, is valued at about 11½ millions.

Lead and Silver are mined in Flintshire at Holywell and Mold, in the Isle of Man, at Fox Dale, in Derbyshire, and Durham. It seems that the lead of the Isle of Man yields the largest percentage of silver, followed by those of Flintshire and Durham. Gold is also raised in the Isle of Man and at four mines in Merioneth. The lead mines of Derbyshire are well known, not only for that metal, but for the beautiful veins of fluor spar which accompany it, and of which ornaments are made.

Limestones are raised for both iron-smelting and building purposes. The principal quarries are in Carnarvonshire, Cumberland, Derbyshire, Durham, Glamorganshire, Lancashire, Somerset, Wiltshire, and Yorkshire.

Chalk is quarried both for manure and for building purposes, chiefly in Kent, but also in Surrey, Essex, Hampshire, Sussex, Bedfordshire, and Lincolnshire.

Large quantities of slate, shipped at Bangor, Carnarvon and Port Madoc, are the produce of the quarries of Blaenau-Festiniog, and Llanberis. Slate is also quarried in Cornwall, Lancashire, and the Isle of Man.

In even this brief account of the minerals of England it would be improper to overlook its clay, so extensively used in the manufacture of pottery, chiefly in Staffordshire, and in the making of bricks and tiles for building. Cornwall is specially noted for its kaolin or china-clay, which is derived from the denudation of its granite, and Staffordshire is celebrated for brick clay. The varieties of clay of great commercial importance are Stourbridge clay, Sheffield fire-clay Dartmoor kaolin, the pipe-clay of Devonshire and the fuller's earth of Reigate and Somerset.

Soils.—The south-eastern division of England, on which a comparatively level surface prevails, exhibits a soil which is either chiefly chalky or chiefly clayey, according to the nature of the underlying rock. There are a few sandy tracts, of which Bagshot Heath, in Surrey, may be cited as an example.

In the mountainous districts the usual light soils resulting from the decay of the older rocks are found, except where there is a mixture of peat.

It will be convenient here to consider this subject more in detail. The greater part of Middlesex, Essex, Hampshire, Dorset, Essex, Suffolk and Norfolk rest upon the London, or plastic, clays. The soils on this formation are naturally strong, heavy, and tenacious; and they shrink and crack in hot weather. When mixed with sand, these clays form fertile loams.

In Norfolk and Suffolk, there are some sandy soils which are rendered fertile by a mixture of chalk, and by feeding sheep upon them.

A great portion of the chalk lands of Dorsetshire, Wiltshire, Berkshire, Sussex, and Kent are utilised as sheep-walks. Oolitic soils vary much; some are only fit for sheep-walks, others are extremely fertile; while the fruitful fens of the district round the Wash rest upon the Oxford clay.

The celebrated dairy districts of Somerset, Gloucester, Warwick, and Leicester rest, for the most part, upon the lias formation, as does also much of the best grazing and pasture lands of Nottinghamshire and Yorkshire.

The New Red Sandstone soils of the West of England are, generally speaking, very fertile; but the soils which overlie the coal measures, the millstone grit and the mountain limestone, are not very fertile as a rule. The old red sandstone soils of Hereford are extremely fertile, and, like the new red sandstone soils of Devonshire, are specially suitable for apple growing. Lastly, the soils which overlie the older rocks in the neighbourhood of the mountains are fertile, when they contain much lime, but only fit for rearing cattle where they are poor in that necessary ingredient of all fertile soils.

The granite soils of Cornwall and Devon are found to be more productive as the hills diminish in height. Thus

Dartmoor is covered only with heath, coarse grass, and peat, while, in the Scilly Isles, similar soils produce good crops of all kinds.

Climate.—The climate of England is remarkably exempt from extremes of heat and cold; but it displays an immense amount of variation within a very narrow range of temperature. The average winter temperature is about 42° Fahrenheit; that of summer, about 60°. It is only on rare occasions that the thermometer rises to 80°, or falls below 20°.

The proximity of every part of the country to the sea, which partly accounts for the small range of variation in the temperature, is also the cause of the moisture of the climate. Being thus subject to coldness and dampness, it is more favourable to the growth than to the ripening of fruits and other vegetable produce. It is, certainly, not unfavourable to either the physical or moral condition of the people. Even its uncertainty has, perhaps, been the subject of too much grumbling.

South Devon, the Isle of Wight, and some neighbouring districts on the south coast, enjoy an average winter temperature, two, three, four, and even, in some instances, five degrees above the rest of the country; and these districts are the resorts of invalids.

More rain falls in the western than in the eastern parts of England; and more in the north than in the south. The moist climate, indeed, clothes the vales and meadows with a verdure unknown in most other lands, but is injurious to the health of the inhabitants, by causing colds, coughs, and consumption.

The climate of Wales differs but little from that of England. The southern counties and the coast generally enjoy a mild, uniform, and genial air. Keen frosts occur but seldom, and long continued ones are still rarer. The extremes of heat and cold are less marked, and the change from one to the other more gradual than in most other parts of Great Britain.

Vegetable Productions.—The most conspicuous feature in the aspect of England is the fresh and luxuriant herbage, resulting from the humidity of the climate; and this, although often overlooked by the natives, from their being so familiar with it, never fails to strike a foreigner with surprise.

Much of the surface of England was forest land in the middle ages, but this has long ceased to be the case; and the woodlands of modern times are restricted to particular districts, to the neighbourhood of great mansions, and to the hedgerows of fields. Several large royal forests still exist in England, the chief of which are the New Forest, in Hampshire, the Forest of Dean, in Gloucestershire, Windsor Forest, in Berkshire, Epping Forest, in Essex, Sherwood Forest, in Nottinghamshire, and the Forest of Arden, in Warwickshire.

These were, in olden times, scenes of courtly sport; but they are now, in part, reduced to cultivation, or reserved for the production of timber to be used in the public service.

The parks surrounding the seats of the nobility and gentry are a peculiar and most inviting feature of the English landscape. A mixture of green open glades, with masses of old well-grown timber, they are scenes of great sylvan beauty; while the existence of so much ground reserved for pleasure in a country where nearly every acre would be profitable under tillage, conveys a strong impression of the riches of England.

The principal English timber-trees.—Alder (*Alnus glutinosa*); ash (*Fraxinus excelsior*); aspen (*Populus tremula*); beech (*Fagus Sylvatica*); birch (*Betula alba*); elm (*Ulmus campestris*); fir (*Pinus sylvestris*); hornbeam (*carpinus betulus*); lime (*Tilia*), several species; maple (*Acer campestre*); oak (*Quercus robur* and *Sessiliflora*); poplars (*Populus canescens*, or white poplar, and *P. nigra*, or black poplar); sycamore (*Acer pseudo platanus*).

Farm Crops.—The leading grain in England is wheat; barley, oats, and rye being, in a great measure, grown in less favoured districts. Wheat is chiefly cultivated in the southern and eastern counties; barley on the light lands throughout the country; rye in the hilly midland and western counties; oats in the fenny and northern disricts.

Turnips and potatoes are cultivated almost everywhere, the former especially in the barley-growing districts. Peas, beans, and clover are widely cultivated.

Hops are produced in Kent, Sussex, Hereford, Surrey, Worcestershire, and Hampshire, wherever a mixed soil containing much chalk is to be found.

Prior to the eighteenth century, little advance had been made from the most primitive methods of culture. The chief improvements since that time have been the gradual adoption of better systems

of rotation of crops; the improvement of the live stock, commenced by Bakewell, about 1760; the introduction of turnip and barley culture and the use of lime, commenced about 1765. The Swedish turnip was introduced about 1790, and spring wheat about 1795. Mangel-wurzel and other improved plants, with improved breeds of animals, have contributed to increase the products of agriculture, as the enclosing of common lands and wastes, and the draining of mosses and marshes have contributed to increase the produce and healthiness of the general surface of the country.

It is only in the valleys and near the sea coast of Wales that wheat can be successfully grown, but the higher lands afford crops of oats, barley, and a short hay which is eaten by the hardy Welsh cattle.

Fruit Trees.—Apple and pear orchards are found almost all over the country; but more especially in the West of England, on the red sandstone soils of Devonshire, Somerset, Gloucestershire, Herefordshire, and Worcestershire. Cherry gardens are frequent on the chalk soils of Kent. Currant and gooseberry gardens are found universally.

Domestic Animals.—The domestic animals of England are the best in the world. Horses of many breeds are found in the country. The draught horses are remarkable for their bulk, fine condition, and great strength. The large dray-horse, so well fitted for drawing heavy loads, which is believed to have been introduced from the Low Countries, is bred in some of the midland counties. Yorkshire is noted for its carriage horses—the Cleveland bays; and the farm breed of Suffolk is an excellent one. Welsh horses are heavy headed and thick shouldered, but strong, hardy, and uncommonly gentle. The mountain ponies which are reared in Wales are much sought in England.

The cattle may be divided into the long-horned, short-horned, and polled, or hornless breeds. Long-horned cattle are met with in Lancashire; while the cattle of Holderness, Northumberland, Durham, North Devon, and Sussex are all short-horned. The Suffolk Duns and the Norfolk polls are two well-known races of hornless cattle. The short-horns, or Durhams, perhaps outnumber all other kinds, and the Herefords with longer horns, are a well-known breed of cattle.

The rearing of black cattle is one of the most profitable parts of the farmer's work in Wales; and by the sale of these, they are chiefly enabled to pay their rents.

Sheep are divided into the long-woolled and the short-woolled kinds; the latter yield the better mutton, the former supply the greater weight of wool. The Romney Marsh, Lincoln, and Leicester breeds are long-woolled sheep; while the South Down, Dorset, Wiltshire, and Hereford sheep have short wool. Norfolk and South Down sheep are remarkable for their black faces and legs. Races of small sheep are fed in the hilly and mountainous districts of the west, and the mutton of such sheep is highly prized. Welsh, Exmoor, and Dartmoor mutton is much sought in London.

Pigs are fattened on most farms. The larger kinds are those of Hampshire, Berkshire, Gloucestershire, and Herefordshire; but the smaller breeds of Suffolk and Essex are highly prized. The black pigs of Berkshire and the red ones of Tamworth are two much improved varieties of porkers.

Fisheries.—The fisheries of England are very important. It is stated that about 50,000 people are engaged in this industry, and that fish to the value of over 4 millions sterling is sent to British markets annually. There are also considerable exports. The great central fish market of all England is London; and, not only many English counties, but some continental countries obtain more or less of their supply from Billingsgate, the chief fish market of that city. The North Atlantic Ocean is richer, both in the quantity and quality of its edible fish than any other portion of the waters of the globe, and of the whole North Atlantic, the North Sea is one of its richest parts. It abounds in shoals and banks, the resorts of fish, the chief of which will here be mentioned.

The Goodwin Sands, off the coast of Kent, provide immense quantities of fish of various kinds. Off the coast of Norfolk are the celebrated Yarmouth Sandbanks. Farther to the north is the extensive Dogger Bank, stretching across the North Sea, beginning about 12 miles from Flamborough Head, and extending about 200 miles towards the coast of Jutland. Between the Dogger and the Well Bank, to the south, are the Silver Pits, which supply soles in great numbers. To the north-east of the Dogger Bank is the Horn Reef, a narrow strip extending to Jutland. The Berwick and Mar

Banks begin opposite to Berwick, but are not very large. Farther to the east, extend the Long Forties of great extent.

The larger class of trawlers, sailing from the ports in the North Sea, engage in very protracted cruises, remaining at sea for six, eight, ten, or even twelve weeks at a time, extending their operations from the island of Texel to Heligoland, and even to the northward of the Horn Reef, off the coast of Jutland. The fish caught are taken to Billingsgate or Grimsby in swift steamers, known as "carriers." In the winter many of the North Sea trawlers work on the Dogger Bank and nearer grounds, conveying their own catches to port from day to day.

The English Channel "trawling-grounds" are more restricted in their area than those of the North Sea, and are at a less distance from the coast, so that they can run to port with their fish daily. The principal trawling ports are Brixham and Plymouth, in the English Channel; with Grimsby, Harwich, and Ramsgate, in the North Sea.

The trawlers supply the London and country markets with turbot, brill, soles, plaice, haddock, and other kinds of fish. Line fishing is extensively carried on for the capture of cod, ling, haddock, and whiting, the hooked fish fetching a higher price than those taken in the trawl-net.

Second only in importance to the trawl is the drift net fishing, although it is confined to the pursuit of the herring, mackerel, and pilchard. The majority of the herrings captured off the coast of Norfolk by the Yarmouth and Lowestoft fishermen are converted into bloaters. There is also a considerable herring fishery carried on off Hastings and the coasts of Devon and Cornwall, most of the fish being sold fresh. The Isle of Man herring fishery is an important one.

The chief river fishes of commercial importance are the salmon and trout, which are conveyed to London and other large towns, from the salmon streams of the north and west; the most important salmon rivers being the Avon, Axe, Conway, Coquet, Dart, Dee, Derwent (Cumberland), Eden, Exe, Fowey, Lune, Ribble, Severn, Stour, Taff, Taw, Teify, Torridge, Towy, and Usk.

Sprats are largely caught at the mouth of the Thames and off the Goodwin Sands, the two fishing ports being Leigh, in Essex, and Deal, in Kent.

The pilchard fishery is almost wholly confined to the coast of Cornwall.

Shell Fish.—Of crustaceans and molluscs used as food lobsters, crabs, prawns, oysters, mussels, and whelks are the most important.

Lobsters are found on many rocky shores, as, for example, around the Orkney and Shetland Isles, on the reefs round Jersey, and off the coasts of Devon and Cornwall.

Prawns are to be had on the coasts of Kent and Sussex, from Deal westward, and the Channel Islands are noted for them.

Oyster Farming.—The largest supply of oysters, in this country at least, is derived not from natural, but from artificial beds. The trade in oysters now ranks in importance with the herring and mackerel fisheries, and oyster farms have been established with success in the Thames estuary and elsewhere. Burnham-on-Crouch and Colchester, in Essex, Faversham, Milton, and Whitstable, in Kent, are famous for oysters; while Great Grimsby, in Lincolnshire, and King's Lynn, in Norfolk, are noted for whelks.

For manufactures, canals, railways, and trade routes, see *United Kingdom.*

ENTERED AT STATIONERS' HALL. (Fr. *Enregistré*, Ger. *auf der Buchhändlerbörse eingeschrieben*, Sp. *Registrado.*)

This expression, which is sometimes put by an author upon his book, means that the work has been registered in the books at Stationers' Hall, which is a proof of the title and the date of publication, and that any person infringing his rights can be proceeded against immediately. Although the copyright of a published book belongs exclusively to the author, until he has assigned the right, no proceedings can be commenced for an infringement of copyright unless the author has previously registered his book at Stationers' Hall. No book can be registered before it is published, and a perfect copy produced.

ENTREPÔT. (Fr. *Entrepôt*, Ger. *Entrepôt*, Sp. *Entrepôt, Depósito.*)

A term derived from the French, among whom it properly signifies a bonded warehouse, or a place where goods from abroad may be deposited, and whence they may again be withdrawn for export without the payment of any duty. In common language it has come to designate a seaport or a commercial town, through which the exports and imports of a large district pass.

ENTRY. (Fr. *Déclaration d'entrée*, Ger. *Zolldeklaration*, Sp. *Entrada.*)

The registry of a ship or of goods at the Custom House.

For the purpose of keeping an exact record of the exports and imports, all articles sent out of or brought into this country must be declared or entered in some shape or form, even though the goods are not liable to pay any duty upon importation.

ENTRY FOR WAREHOUSING. (Fr. *Bons d'entrée en entrepôt*, Ger. *Entrepôtschein*, Sp. *Guías de almacenaje.*)

A Custom House document issued when dutiable goods are imported, but are to be stored in a Government or Bonded Warehouse until required for use. It is filled in by the importer, and fully describes the goods, so that they may be removed in the regular way from the import ship to the warehouse desired.

EQUITABLE EXECUTION. (See *Action.*)

EQUITABLE MORTGAGE. (See *Mortgage.*)

EQUITY OF REDEMPTION. (See *Mortgage.*)

ERRORS EXCEPTED or ERRORS AND OMISSIONS EXCEPTED. (Fr. *Sauf erreur*, Ger. *Irrtum vorbehalten*, Sp. *Salvo error.*)

These words, generally abbreviated into E.E. or E. & O.E., are frequently written at the foot of invoices and accounts by merchants and others in order that they may legally be entitled to correct any errors or omissions which may afterwards be discovered.

ESCHEAT. (Fr. *Déshérence*, Ger. *Heimfall*, Sp. *Desherencia.*)

The property which falls to the lord of the manor or to the Crown, owing to failure of heirs or through forfeiture.

ESTATE. (Fr. *Biens*, Ger. *Vermögen*, Sp. *Bienes.*)

The term usually applied to the aggregate of things possessed by a certain person, including his goods, money, and property of every kind.

Colloquially, the lands, houses, etc. of a landlord are spoken of as his estate, and the same word is used to represent the assets of a deceased person or a bankrupt.

Technically, estate signifies the amount or quantity of interest which a person possesses in property, as when land is said to be held in fee simple, fee tail, or for a life estate.

ESTATE DUTY. (Fr. *Droit de succession*, Ger. *Erbsteuer*, Sp. *Derechos de sucesión.*)

A duty created by the Finance Act, 1894, and regulated by various Acts since that date. It is the duty which is imposed upon the principal value of all property, real or personal, settled or not settled, which passes on the death of any person after August 2, 1894.

Prior to the year 1894 there were six different death duties payable—probate, account, legacy, succession, additional succession, and estate. The probate, account, and additional succession duties were abolished by the Finance Act of 1894, and the new estate duty established. Legacy and succession duties are still payable, though the estate duty is the first charge.

Property passing on the death of a person is deemed to include the following :—

(*a*) Property of which the deceased was at the time of his death competent to dispose.

(*b*) Property in which the deceased or any other person had an interest ceasing on the death of the deceased, to the extent to which a benefit accrues or arises by the cesser of such interest; but exclusive of property the interest in which of the deceased or other person was only an interest as holder of an office, or recipient of the benefits of a charity, or as a corporation sole.

(*c*) Gifts of property, real or personal, such as *donationes mortis causâ* made within a year preceding the death.

(*d*) Gifts of property, real or personal, *inter vivos*, even though made more than twelve months preceding the death, if some interest or benefit has been reserved to the donor, either by contract or otherwise.

(*e*) Any annuity or other interest purchased or provided by the deceased, either by himself alone or in concert or by arrangement with any other person, to the extent of the beneficial interest accruing or arising by survivorship or otherwise on the death of the deceased.

In order to avoid difficulties which had arisen as to (*d*), the Finance Act, 1900, has enacted that in the case of every person dying after March 31, 1900, property, real or personal, in which the deceased or any other person had interest for the life of the deceased, is to be deemed to pass on the death of the deceased, notwithstanding that the interest has been surrendered, assured, divested, or otherwise disposed of, whether for value or not, to or for the benefit of any person entitled to an estate or interest in remainder or reversion in such property, unless the surrender or disposition was made or

effected *bonâ fide*, and possession assumed *bonâ fide* twelve months before the death of the deceased.

It will be seen that the disposition of property with the idea of avoiding the death duties is attended with considerable risk. The donor's estate may not, after all, escape the duties, and if the donor survives the donee either the donor may lose any benefit for which he has privately stipulated, or he may be called upon to pay succession or legacy duty upon his own property which has reverted to him by the will, or otherwise, of the deceased donee.

Immoveable, that is, real property situated out of the United Kingdom is not chargeable with estate duty. Moveable property situated out of the United Kingdom is not chargeable where the deceased was owner and was domiciled out of the United Kingdom at the time of his death. But estate duty is payable if the deceased was the owner and was domiciled in the United Kingdom when he died. Estate duty is also payable, generally, where the deceased was only interested for life, and at his death the property formed the subject of a British trust or was vested in a British trustee.

The following property, even though situated in the United Kingdom, is expressly exempted from estate duty :—

(1) Settled property of every description in respect of which estate duty has been paid since the date of the settlement, unless the deceased was, at the time of his death, or had been previously, competent to dispose of it.

(2) Property held by the deceased as a trustee for another person under a trust not created by the deceased, or under a trust created by the deceased more than twelve months before his death, and the beneficiary had possession and enjoyment of the property immediately after the creation of the trust, and continued to hold it to the exclusion of the deceased.

(3) Property passing for a full money consideration.

(4) Property of common seamen, marines, and soldiers dying in the service of the Crown.

(5) Estates of which the value is less than £100.

(6) Survivorship annuities of less than £25.

(7) Reversionary interests upon which the estate duty has been commuted.

(8) Pensions and annuities payable by the Indian Government to widows or children of deceased officers.

(9) Advowsons or church patronage.

(10) Property settled by a husband on his wife, or *vice versâ*, and reverting on the death to the original settlor.

(11) Works of art, scientific collections, prints, manuscripts, etc., or other things not yielding income, either given for national purposes, or which appear to the Treasury to be of national, scientific, or historical interest, and settled so as to be enjoyed in kind in succession by different persons; provided that the exemption from estate duty will only continue so long as the property is unsold or does not come into the possession of a person competent to dispose of it.

The scale of estate duty is fixed thus :—

Where the principal value of the estate			Estate duty is payable at the rate per cent. of		
Exceeds £100 and does not exceed			£	*s.*	
	£500		1	0	
Ditto	£500	Ditto	£1,000	2	0
Ditto	£1,000	Ditto	£10,000	3	0
Ditto	£10,000	Ditto	£25,000	4	0
Ditto	£25,000	Ditto	£50,000	4	10
Ditto	£50,000	Ditto	£75,000	5	0
Ditto	£75,000	Ditto	£100,000	5	10
Ditto	£100,000	Ditto	£150,000	6	0
Ditto	£150,000	Ditto	£250,000	6	10
Ditto	£250,000	Ditto	£500,000	7	0
Ditto	£500,000	Ditto	£1,000,000	7	10
Ditto	£1,000,000			8	0

The duty is calculated upon the exact net principal value of the estate, including the shillings and pence. Where the gross value is less than £300, a fixed duty of £1 10*s.* may be paid, and where it is between £300 and £500, a fixed duty of £2 10*s.* may be paid. But the executor or successor has the option of paying on the *ad valorem* scale. In cases of doubt the latter should be done; because if it should turn out that the estate is of greater value than £500, and the fixed duty only has been paid, the *ad valorem* duty according to the true value is payable, and no allowance is made for the duty paid at first.

Where the net value of the property, real and personal, in respect of which estate duty is payable on the death of the deceased, exclusive of property settled otherwise than by the will of the deceased, does not exceed £1,000, such property, for the purpose of estate duty, is not to be aggregated with any other property, but is to form an estate of itself; and where the fixed duty or estate duty has been paid upon the principal value of that estate, the settlement estate duty and the legacy and succession duties

are not payable under the will or intestacy of the deceased in respect of the estate.

The executor on applying for probate of the will of the testator, or the administrator of an intestate after he has obtained a grant of letters of administration, is required to furnish particulars of all the property of the deceased. The necessary forms and copies of the affidavit required can be obtained free of cost from Somerset House, or from any Money Order Office outside the Metropolitan Postal District. Full particulars are given as to the method of arriving at the value of the estate of the deceased, and as to the deductions which are allowed from the gross amount. The principal of these deductions are reasonable funeral expenses, debts, and incumbrances. Other limited deductions are allowed where property is situated out of the United Kingdom, and its administration or realization necessitates increased expense, and if any death duty is payable in a foreign country where the property is situated, the amount of the duty is to be deducted from the principal value of the property.

The executor or administrator is the person primarily accountable for the estate duty chargeable upon the personal property, and he may also pay the estate duty upon any other property under his control; and he may even pay it upon property not under his control if the persons accountable for the estate duty request him to do so. Where property passes, however, on the death of the deceased, and the executor is not accountable for the estate duty thereon, every person to whom such property passes for a beneficial interest in possession, and likewise, to the extent of the property actually received or disposed of by him, every trustee, guardian, committee, or other person in whom any interest in the property so passing or the management thereof is at any time vested, not being merely an agent or bailiff, and every person in whom the same is vested in possession by alienation or other derivative title, is accountable for the estate duty on the property. This liability to account does not, however, extend to a *bonâ fide* purchaser for valuable consideration.

The estate duty is due and payable upon the delivery of the account by the representatives, or at the expiration of six months from the death of the deceased, whichever happens first. Until payment is made simple interest at the rate of 3 per cent. is charged upon the estate duty, and if the payment is delayed beyond six months the rate of interest is raised to 4 per cent.

At the option of the person delivering the account, the estate duty payable upon real property may be paid by eight equal yearly instalments or sixteen half-yearly instalments, with interest at the rate of 3 per cent. per annum from the date at which the first instalment is due, and which instalment becomes due at the expiration of twelve months from the death. The interest on the unpaid portion of the duty is added to such instalment and paid accordingly. If the real property is sold the estate duty is payable on the completion of the sale.

The general residue of the estate of the deceased is the portion of his property out of which the estate duty is payable.

In the valuation of the property liable to estate duty, the principal value is to be obtained by ascertaining the price which, in the opinion of the Commissioners of Inland Revenue, the property would realize in the open market at the date of the death of the deceased. If the property is agricultural, the estimated value is not to exceed twenty-five years' purchase of the property, as assessed under schedule A of the Income Tax Acts, and after deducting 5 per cent. for the expenses of management. Any disputes as to the valuation of the property may be referred to the High Court, or to a county court where the amount is less than £10,000. There is a right of appeal to the Court of Appeal.

ESTIMATE. (Fr. *Estimation, devis*, Ger. *Kostenanschlag*, Sp. *Presupuesto.*)

A document showing what is the amount required by a contractor, either for doing certain work, or for supplying goods on certain conditions, or for repairs.

ESTREAT. (Fr. *Extrait*, Ger. *wahre Abschrift*, Sp. *Extracto.*)

A true extract or copy of some original document or record.

EVEN. (Fr. *Quitte*, Ger. *gleich, quitt*, Sp. *En paz.*)

On the Stock Exchange, when securities are carried over "at even," it means that there is neither contango nor backwardation to pay.

EX ALL. (Fr. *Sans privilèges*, Ger. *ohne alles*, Sp. *Sin reserva ó privilegio.*)

When these words are added to the quotation of the price of any stock or

shares, they mean that the dividend just due, any bonus, return of capital, and right to claim new stock or shares are retained by the seller.

EXCHANGE. (Fr. *Echange, change*, Ger. *Wechsel, Kurs*, Sp. *Cambio.*)

The giving or taking of one thing or commodity for another, and in commercial language the word is employed to denote the means by which the debts of persons residing at a distance from their creditors are discharged without the transmission of money or goods. This is effected by means of what are known as bills of exchange. Exchanges between different parts of the United Kingdom are now almost entirely in the hands of bankers. In cities or countries having a considerable amount of intercourse together, the debts mutually due by the one to the other approach for the most part near to an equality. Between countries making use of different currencies there is what is known as a "par of exchange," which is the equivalency of a certain amount of the currency of one country in the currency of the other, the currencies of both being supposed to be of the precise weight and purity fixed by their respective units. Among the causes that affect the par of exchange, in addition to a rise or a fall in the price of the precious metals, are—

(1) Changes made by authority, in the quantity of pure metal contained in the coin by way of increase or diminution.

(2) Depreciation from the use of paper money.

(3) Clipping.

(4) Wear and tear.

When two countries trade together, and each buys of the other exactly to the amount that it sells, their claims will balance each other, and the exchange will be at par. This, however, is rarely the case, for there is almost always a balance owing on the one side or the other, and this balance affects the rate of exchange. Thus, if London sends more goods to Hamburg than are received from that place, there will be a greater demand for bills upon London in Hamburg than for bills upon Hamburg in London, and their value will advance proportionately above par, whilst in London, in like manner, they will fall below it. It is evident, however, that these fluctuations in the real exchange are subject to certain limits, beyond which they cannot advance. Thus, the price of bills of exchange on any place above the par of exchange can never exceed the expense of sending bullion to that place, otherwise merchants will find it more to their advantage to transmit bullion than to take bills. The tendency of any advance in the rate of exchange is to stimulate exportation.

EXCHANGE. (Fr. *Bourse*, Ger. *Börse*, Sp. *Bolsa.*)

A building or place of resort for merchants, the name being adopted from the circumstance that buying and exchange of merchandise, and exchanging or paying away of money, form the chief object of commerce.

EXCHEQUER. (Fr. *Cour de l'Echiquier*, Ger. *Schatzkammergericht*, Sp. *Corte del Contencioso.*)

A supeiror court which formerly exercised jurisdiction only over matters connected with the revenue of the country. It is now a court of common law, and merged in the King's Bench Division of the High Court of Justice. The name originated from the chequered cloth with which the table was covered, and upon which the various accounts were reckoned.

EXCHEQUER BILLS. (Fr. *Bons du trésor*, Ger. *Schatzkammerscheine*, Sp. *Pagarés del Tesoro.*)

Promissory notes issued by the authority of Parliament for £100, £200, £500, and £1,000, bearing interest from the day on which they are dated, at the current market value of money on their date of issue. The rate of interest is so much per cent. per day. They are generally paid off or renewed annually when the interest is paid up, and notice is duly given of the intention of the Exchequer by public advertisement. As the Government only pays them off at par, holders generally prefer a renewal, because by accepting payment they lose the premium which these bills generally bear in the money market.

Exchequer bills are much sought after by men with capital, because they are almost always quoted in the market at a premium, and they are easily convertible into ready money. They furnish, in fact, a sort of investment yielding interest, and yet they are of such a character that they are as useful as ready money.

EXCHEQUER BONDS. (Fr. *Bons du trésor*, Ger. *Schatzkammerscheine*, Sp. *Bonos del Tesoro.*)

These are Government promissory notes issued, under the authority of the same Act as Exchequer bills, by the Commissioners of the Treasury. They

run for a definite period of time, but not exceeding six years, and bear interest at a certain rate per cent. per annum. The interest is payable half-yearly until the period for which they are issued has expired. They are then redeemable at par.

EXCISE. (Fr. *Accise*, Ger. *Accise, Verbrauchssteuer*, Sp. *Sisa.*)

This is an inland tax on certain commodities produced and consumed within the country, as opposed to customs duties, and also on licences to carry on certain trades and professions.

The following is a list of the principal excise duties :—

	£	s.	d.
Admission—			
As barrister	50	0	0
As solicitor, proctor, or writer of the signet	25	0	0
To any Inn of Court, or student of King's Inn, Dublin	25	0	0
As Fellow of College of Physicians	25	0	0
As burgess, by birth, apprenticeship, or marriage	1	0	0
Ditto (on any other ground)	3	0	0
As notary public in England	30	0	0
Ditto, in Scotland or Ireland	20	0	0
As burgess in Scotland	0	5	0
Alkali Works, certificate of registration	5	0	0
Appraisers and house agents, annual	2	0	0
Armorial Bearings, Great Britain, annual	1	1	0
If used on any carriage, etc., annual	2	2	0
Auctioneers, annual	10	0	0
Auctioneers may act as appraisers or house agents without further licence.			
Bankers, annual	30	0	0
Beer, per barrel of specific gravity of 1055 (55 of gravity)	0	7	9
Beer dealers and Brewers, annual—			
Beer dealers, wholesale, not brewers	3	6	1
Beer dealers to sell in any quantity additional, not to be consumed on the premises, England and Ireland	1	5	0
Brewers brewing beer for sale	1	0	0
Other brewers, annual value of house exceeding £8, but not exceeding £10	0	4	0
The annual value exceeding £10, but not exceeding £15	0	9	0
In every other case in addition to the duty on the beer made	0	4	0
Retailers of beer, cider, and perry—			
For consumption on the premises	3	10	0
Not to be consumed on the premises, England	1	5	0
Retailers of table beer (off)	0	5	0
Retailers of beer (off), Scotland, rated under £10	2	10	0
Retailers of beer (off), Scotland, rated at £10 and upwards	4	4	0
Retailers of beer and wine—			
For consumption on the premises	4	0	0
Not to be consumed on the premises	3	0	0
Card (playing) makers, to sell, annual	1	0	0
Carriages, annual, Great Britain—			
Hackney carriages	0	15	0
For every other carriage with four wheels, and drawn or adapted or fitted to be drawn by two or more horses, or by mechanical power	2	2	0
If with four wheels, and drawn or adapted or fitted to be drawn by one horse only	1	1	0
If with less than four wheels	0	15	0
Half these rates only are charged on licences taken out between October 1 and December 31, on which date all licences for carriages expire.			
Certificate, annual—			
To act as attorney, solicitor, proctor, writer of the signet, notary public, and sworn clerk, practising within ten miles of the General Post Office, London ; or either in the city or shire of Edinburgh, or in the city of Dublin, or within three miles thereof	9	0	0
To act as any of the above, elsewhere	6	0	0
During the first three years the fees are one-half of the above.			
Certificate of goods, being duly entered inwards, for drawback	0	4	0
Certificate of birth, baptism, marriage, death; or burial	0	0	1
Chicory, per cwt., raw or kiln-dried	0	12	1

	£	s.	d.
Gold, above 2 dwts. and under 2 oz. in weight, and silver above 5 dwts., and under 30 oz. in weight	2	6	0
Gold, above 2 oz., and silver above 30 oz.	5	15	0
Refiners of gold and silver	5	15	0
Publicans—			
Annual licences for spirits, beer, and wine, to be consumed on the premises.			
If the annual value of the house is under £10	4	10	0
Ditto £15	6	0	0
Ditto £20	8	0	0
Ditto £25	11	0	0
Ditto £30	14	0	0
Ditto £40	17	0	0
Ditto £50	20	0	0
Ditto £100	25	0	0
Ditto £200	30	0	0
Ditto £300	35	0	0
Ditto £400	40	0	0
Ditto £500	45	0	0
Ditto £600	50	0	0
Ditto £700	55	0	0
If the annual value is £700 or upwards	60	0	0
Hotels and theatres of the value of £50 and upwards pay no higher amount of licence duty than £20, and restaurant keepers pay no higher amount than £30 under certain conditions.			
When premises are closed the whole of Sunday, or one hour sooner than otherwise required on week-days, the duty is only six-sevenths of the above. If closed on Sunday and also one hour earlier through the week, the amount of the duty is five-sevenths.			
Railways—			
On passenger receipts per £100 in Great Britain, but subject to exemption in respect of fares not exceeding the rate of one penny a mile—			
Urban district traffic	2	0	0
Other traffic	5	0	0
Refreshment Houses—			
Annual licence, rental under £30	0	10	6
£30 and upwards	1	1	0
Saccharine, per oz.	0	1	3
Spirits—			
Home-made, per proof gallon	0	11	0
Imported from Channel Islands, gallon	0	11	4

	£	s.	d.
Annual licences—			
Rectifiers and compounders	10	10	0
Dealers, not retailers	10	10	0
Dealers, to sell in bottles, additional	3	3	0
Dealers, to sell foreign liqueurs only in bottles	2	2	0
Makers of methylated spirits	10	10	0
Retailers of methylated spirits	0	10	0
Methylated spirits must not be sold between 10 p.m. on Saturday and 8 a.m. on the following Monday, under a penalty of £100.			
In Scotland, grocers' licences for spirits not to be consumed on the premises—			
Where the annual value of the premises is under £10	4	4	0
Of the annual value of £10, but under £20	5	5	0
Ditto £20, Ditto £25	9	9	0
Ditto £25, Ditto £30	10	10	0
Ditto £30, Ditto £40	11	11	0
Ditto £40, Ditto £50	12	12	0
Ditto £50, and upwards	13	13	0
In Ireland, for similar licences—			
If the premises are rated under £25	9	18	5
If rated at £25, and under £30	11	0	6
Ditto £30, Ditto £40	12	2	6
Ditto £40, Ditto £50	13	4	7
Ditto £50, and upwards	14	6	7
Stills or Retorts—			
Annual licence for chemists and others keeping or using	0	10	0
Sweets, annual—			
Dealers	5	5	0
Retailers	1	5	0
Tobacco and Snuff, annual—			
Retailers	0	5	3
Tobacco manufacturers—			
Trade not exceeding 20,000 lbs.	5	5	0
Exceeding 20,000 lbs., and not exceeding 40,000 lbs.	10	10	0
Exceeding 40,000 lbs., and not exceeding 60,000 lbs.	15	15	0
Exceeding 60,000 lbs., and not exceeding 80,000 lbs.	21	0	0
Exceeding 80,000 lbs., and not exceeding 100,000 lbs.	26	5	0
Exceeding 100,000 lbs.	31	10	0
Beginners to pay £5 5s. and a surcharge on renewal of licence.			
Vinegar Makers, annual	1	0	0
Wine, annual—			
Dealers (wine only)	10	10	0

	£	s.	d.
Retailers, selling for consumption on the premises	3	10	0
Retailers or grocers, selling wines for consumption off the premises—			
England and Ireland . .	2	10	0
Scotland	2	4	1

EXCISEMEN, OR INLAND REVENUE OFFICERS. (Fr. *Employés de l'accise*, Ger. *Acciseeinnehmer*, Sp. *Oficial de la sisa.*)

The officers who are charged with the collection of the excise.

EX COUPON. (Fr. *Sans coupon*, Ger. *ohne Coupon*, Sp. *Sin cupón.*)

Without the interest coupon.

EX-DIVIDEND. (Fr. *Coupon détaché*, Ger. *ohne Dividende*, Sp. *Cupon suelto.*)

Means without the dividend that is due. When a stock is sold it is presumed, unless there is an agreement or custom to the contrary, that any dividend owing upon it is carried over with the sale to the buyer, and it is then sold "cum dividend."

EX-DRAWING. (Fr. *Sans droit au tirage*, Ger. *ohne Ziehung*, Sp. *Sin sorteo.*)

This term is used when bonds are sold without any benefit that may arise from a drawing about to take place.

EXECUTION. (See *Action.*)

EXECUTOR. (Fr. *Exécuteur testamentaire*, Ger. *Testamentsvollstrecker*, Sp. *Ejecutador testamentario.*)

The person who is appointed by a testator to see that the directions contained in his will are carried into effect. The feminine form of the word is executrix.

An executor may be appointed by name or by implication; but in the latter case he is called an executor according to the tenor. Again, a testator may leave the appointment of an executor to a third person, and such third person may appoint himself to the office.

Where there is no will there can be no executor. The person who is then appointed to administer the estate of the deceased is called an administrator, or administratrix. In most cases the administrator is a near relative of the deceased, but if the proper person to take out letters of administration neglects to do so, any other person who is entitled to make a claim against the estate, especially a creditor, can apply for letters of administration to be granted to him.

An administrator is also appointed to act, even when there is a will, in the following cases, and under the following names:—

(1) Administrator *ad litem.* This is the person who is named administrator of a deceased person's estate for the purpose of litigation only.

(2) Administrator *cum testamento annexo.* This is the title given to an administrator who obtains a grant of letters of administration when there is a will but no executor named in it, or when the named executor refuses or is unable to act.

(3) Administrator *de bonis non.* The person appointed to complete the administration of an estate, where the executor or administrator has died without fully administering the same.

(4) Administrator *durante absentiâ.* The administrator who acts during the absence abroad of a person who is legally entitled to the administration.

(5) Administrator *durante minore ætate.* The person appointed to act during the minority of an executor or of a person legally entitled to a grant of letters of administration.

(6) Administrator *pendente lite.* The person appointed to administer an estate pending any suit respecting the validity of a will or any other matter in dispute.

The rights and duties of executors and administrators are generally the same, except that the former must carry out the directions contained in the will of the deceased, whilst the latter have nothing further to consider than the obligations laid upon them by the law.

Any person may be appointed as executor unless he is specially excluded by law. A lunatic or an idiot is incapable of acting, owing to lack of understanding. An infant may be appointed, but he cannot act so long as he is a minor. When an infant is named sole executor, an administrator with the will annexed must be appointed to act during the minority. A married woman may act independently of her husband as executrix since the passing of the Married Women's Property Act, 1882. An alien is as capable of acting as a natural born or a naturalized citizen. A partnership firm, a company, or a corporation may each be appointed. A grant of the probate of a will is made to the members of a partnership firm individually, whilst in the case of a company or corporation aggregate a grant of letters of administration with the will annexed is made to a representative of the company or corporation. There are now several companies in existence, whose special business it is

to undertake executorships and trusteeships for an agreed commission.

There is no special form required for the appointment of an executor, but it is advisable for a testator to make his appointment clear so as to save expense. If there is no express appointment, any person who has duties imposed upon him may be an executor according to the tenor of the will. And it has been held that where a testator appointed a person "to hold and administer in trust all my estate well known to the said H. E.," this was sufficient to constitute H.E. an executor according to the tenor.

An executor is generally appointed absolutely, but his appointment may be qualified, and extend to certain property only, or it may be limited to a given time. Again, on the death of an executor the executorship is transmitted to the executor named, if there is one, in the will of the executor. But there is no transmission of an administratorship, nor does an executorship devolve upon the administrator of the estate of an executor or administrator. Whenever anything remains to be done as to an estate, and there is no executor surviving, an administrator must be appointed to administer the portion of the estate which has been left unadministered.

A person who intermeddles, without authority, with the estate of a deceased person, may render himself liable to be sued by creditors and legatees, and be put to much inconvenience. He is called an executor *de son tort*. But he is not liable beyond the amount of the assets which have come into his hands, and he may plead in an action brought against him that he has fully administered the estate.

No person is bound to accept the office of executor if it is thrust upon him. Nor need he accept it after the death of the testator, even though he promised during the lifetime of the deceased to act as testator. There must, however, be a clear renunciation, and the renunciation must be made before any act is performed which lies within the ordinary province of an executor, or before anything is done from which an inference might be drawn that the person named in the will had decided to act as executor. The acceptance or renunciation must be complete—there cannot be a partial acceptance and a partial renunciation. If a person is dilatory in making up his mind as to acceptance or renunciation, he may be cited before the Probate Division of the High Court by any of his co-executors or by a proposed administrator.

Where two or more executors are appointed by a will they are considered as one person, and the survivor acts, after the death of the others, in the place of all. It is the first duty of the executors to bury the deceased in a suitable manner, and this must obviously be done before the probate of the will can be granted. There are also many other things which may be done before a grant of probate, or of letters of administration; but it is as well to obtain the one or the other as soon as possible—indeed, in the latter case, great difficulties may arise at very early stages of any semi-administration. On the other hand, an executor derives his authority entirely from the will, and probate is a mere ceremony evidencing his right to act. But no executor can proceed in an action at law in any matter concerning the estate of the deceased without producing the probate, which is the sole evidence of his title.

Executors have full power to sell, assign, mortgage, or pledge the assets of the testator. In certain matters, such as the granting of leases, they may be restrained by any special terms inserted in the will. They may likewise compromise debts and submit disputes to arbitration. In the payment of claims they have the peculiar right of retainer, that is, they may retain the amount of their own debts in priority to any debts owing by the testator of the same degree. Even statute barred debts may be paid, but not if they have been sued upon and disallowed on that account. Other debts, which are unenforceable by reason of various statutes, may not be paid. If the executors do nevertheless pay them an action may be commenced against the executors by the beneficiaries under the will for the repayment of the money so illegally expended.

For the purpose of relieving executors and administrators from too lengthy a period of administration, an Act was passed in 1859, commonly known as Lord St. Leonard's Act, by which the representatives of a deceased person were enabled to advertise in the London *Gazette* and three other newspapers, one being a local one, calling upon creditors and others having claims to come in and make good the same on or

before a fixed date. The notice is a well-known one, and it invariably goes on to declare that on the expiration of the fixed time the assets of the deceased will be distributed, regard being had only to those claims of which notice has been given, and that the executors will not be liable to any person of whose claim they have not had notice at the time of the distribution of the assets. This method exonerates the executors completely, but it in no way prejudices the right of a creditor to follow the assets into the hands of any persons who have received the same.

The duties of an executor or administrator may be summed up as follows :—

(1) To bury the deceased, incurring only such funeral expenses as are warranted by the estate and condition of the deceased.

(2) To prepare an accurate inventory of the goods and chattels of the deceased.

(3) In the case of a will, to obtain probate of the same within six months of the death of the deceased.

(4) To pay all the necessary death duties.

(5) To collect and realize the estate.

(6) To liquidate the outstanding debts of the deceased.

(7) To pay the legacies left by the will.

(8) To make whatever investments are ordered or are necessary.

(9) To distribute the residue.

(10) To keep accurate accounts of all matters connected with the estate, and obtain a proper discharge on the completion of the administration.

There are special rules in the administration of assets which are applicable both to the order in which the assets are to be devoted to the payment of debts, and also to the order in which the debts are to be paid. The assets are to be applied as follows :—

(1) The general personal estate, not bequeathed, or bequeathed only as residue.

(2) Real estate devised in trust to pay debts.

(3) Real estate not so charged.

(4) General legacies and annuities.

(5) Specific legacies.

(6) Real or personal estate subject to a general power of appointment, which power has been exercised in favour of persons who have taken by a conveyance without consideration.

The order in which the debts are payable is :—

(1) Reasonable funeral and testamentary expenses.

(2) Debts due to the Crown in respect of rates or taxes.

(3) Debts to which special statutes have given priority, such as liabilities under Friendly Societies Acts.

(4) Judgment debts registered against the deceased, and judgment debts unregistered recovered against the executors or administrators.

(5) Recognizances and statutes.

(6) Specialty contracts, if for valuable consideration, and also simple contract debts, as well as unregistered judgment debts obtained against the deceased. Until the passing of Hinde Palmer's Act, 1869, specialty debts had priority over simple contract debts. They are now on the same footing.

(7) Voluntary bonds and covenants. But if a voluntary bond has been assigned for value during the lifetime of the deceased, it will rank as though it had been originally given for valuable consideration.

Until the passing of the Land Transfer Act, 1897, it was the personal estate alone of the deceased which vested in his executor, who has generally been called the personal representative. Now, however, the real estate also vests in the executor, and any person who claims the same must acquire his title through the executor. By section two of the Act it is provided that the personal representatives of a deceased person shall hold the real estate as trustees for the persons legally entitled to the beneficial interest in the same, and that those persons shall require a legal transfer to be made. Section three of the Act is as follows :—

(1) At any time after the death of the owner of any land, the personal representatives may assent to any devise contained in his will, or may convey the land to any person entitled thereto as heir, devisee, or otherwise, and may make the assent or conveyance either subject to a charge for the payment of any money which the personal representatives are liable to pay, or without any such charge ; and on such assent or conveyance, subject to a charge for all moneys (if any) which the personal representatives are liable to pay, all liabilities of the personal representatives in respect of the land shall cease, except as to any acts done or contracts entered into by them before such assent or conveyance.

(2) At any time after the expiration of one year from the death of the owner

of any land, if his personal representatives have failed on the request of the person entitled to the land to convey the land to that person, the court may, if it thinks fit, on the application of that person, and after notice to the personal representatives order that the conveyance be made, or, in the case of registered land, that the person so entitled be registered as proprietor of the land either solely or jointly with the personal representatives.

(3) Where the personal representatives of a deceased person are registered as proprietors of land on his death, a fee shall not be chargeable on any transfer of the land by them unless the transfer is for valuable consideration.

(4) The production of an assent in the prescribed form by the personal representatives of a deceased proprietor of registered land shall authorize the registrar to register the person named in the assent as proprietor of the land.

Where a man making his will is actively engaged in business on his own account, he ought to be particularly careful to give directions as to his wishes in respect of the business, and to indicate what proportion of his estate is to be employed in it. Otherwise executors may find themselves personally liable for continuing the same. The safest plan is to sell the business, though this step should not be hurriedly taken to the detriment of the estate. The business is an asset and must not be squandered. No liability, however, attaches in the case of a partner. The death of a partner terminates, *ipso facto*, the partnership, and his estate is freed from all claims in respect of debts contracted after his decease. The doctrine of holding out does not extend to bind the estate of a deceased partner, whether the creditors of the firm are or are not aware of the death of the partner.

Legacies are not payable until after the expiration of a year from the death of the deceased. But executors are not compelled to delay payment for so long a period. On the other hand, an administrator would be acting unwisely to make any distribution of an intestate's estate until a year has expired. In the case of legacies payable to infants, the money should be paid into court, and not to the infant or to his parent, unless there is a special direction to that effect in the will.

Executors are jointly responsible for the funds which come into their hands. They must use prudence in dealing with the same, otherwise they will render themselves liable for any losses which arise. Also an executor must not leave the unlimited control of the funds comprised in the estate to his fellow executor or executors, except at his own risk. Executors are just as responsible as trustees, and like them they are entitled to no remuneration for their services, however valuable, unless there is a special provision as to compensation contained in the will. The only deductions that are allowed to be made are for out-of-pocket expenses incurred in the executorship.

EXEQUATUR. (Fr., Ger., Sp. *Exequatur.*)

A term used in international law to signify the official recognition of a consul or commercial agent given by the Government of the country in which he is to exercise his functions. It is generally issued by the Foreign Office of each nation, and may be either a separate document with *exequatur* for the first word, or the word itself may be simply impressed upon the commission under which the consul or agent holds his office. In England the exequatur of a foreign consul is always notified in the London *Gazette*.

EX-INTEREST. (Fr. *Sans intérêt*, Ger. *ohne Zinsen*, Sp. *Sin interés.*)

Means without interest.

EX MERO MOTU Of one's own accord.

EX NEW. (Fr. *Sans droit aux actions nouvelles*, Ger. *ohne Bezugsrecht auf junge Aktien*, Sp. *Sin privilegio.*)

Without the right to claim any new stock or shares about to be issued. It sometimes happens that gas, railway, and water companies, when requiring more capital, issue a number of new shares, offering the allotment of them *pro ratâ* to the existing shareholders. Parties operating in such stock or shares, therefore, sell their holdings in the original stock "ex new," if they wish to retain the privilege of taking the new shares themselves.

EX OFFICIO. By virtue of office.

EX PARTE. On behalf of. Any proceeding that is taken by one party when the other or others are not present.

EXPECTED TO RANK. (Fr. *Passif prévu*, Ger. *wahrscheinliche Schuldmasse*, Sp. *Pasivo anticipado.*)

In bankruptcy, the sum of money which, it is expected, will be the actual amount owing when the estate comes to be liquidated.

EXPECTATION OF LIFE. (Fr. *Expecta-*

tion de vie, Ger. *die zu erwartende Lebensdauer*, Sp. *Expectativa de vida.*)

This signifies the average after-lifetime of a person of a given age, the calculation being made from statistics collected during the given number of years.

The expectation of life is of use in actuarial calculations, and also to a certain extent in estimating the values of life annuities and the amounts of life insurance premiums.

The following table gives the mean after-lifetime, or expectation of life, of people in the United Kingdom, based upon the death returns of 1870–80.

Age.	*Male.*	*Female.*	*Age.*	*Male.*	*Female.*
0	41·35	44·62	46	21·44	23·38
1	48·05	50·14	47	20·80	22·71
2	50·14	52·22	48	20·18	22·03
3	50·86	52·99	49	19·55	21·36
4	51·01	53·20	50	18·93	20·68
5	50·87	53·08	51	18·31	20·01
6	50·38	52·56	52	17·71	19·34
7	49·77	51·94	53	17·12	18·66
8	49·10	51·26	54	16·53	17·98
9	48·37	50·53	55	15·95	17·33
10	47·60	49·76	56	15·37	16·69
11	46·79	48·96	57	14·80	16·06
12	45·96	48·13	58	14·24	15·45
13	45·11	47·30	59	13·68	14·84
14	44·26	46·47	60	13·14	14·24
15	43·41	45·63	61	12·60	13·65
16	42·58	44·81	62	12·07	13·08
17	41·76	44·00	63	11·56	12·51
18	40·96	43·21	64	11·05	11·96
19	40·17	42·43	65	10·55	11·42
20	39·40	41·66	66	10·07	10·90
21	38·64	40·92	67	9·60	10·39
22	37·89	40·18	68	9·14	9·89
23	37·15	39·44	69	8·70	9·41
24	36·41	38·71	70	8·27	8·95
25	35·68	37·98	71	7·85	8·50
26	34·96	37·26	72	7·45	8·07
27	34·24	36·54	73	7·07	7·65
28	33·52	35·83	74	6·70	7·25
29	32·81	35·11	75	6·34	6·87
30	32·10	34·41	76	6·00	6·51
31	31·40	33·70	77	5·68	6·16
32	30·71	33·00	78	5·37	5·82
33	30·01	32·30	79	5·07	5·50
34	29·33	31.60	80	4·79	5·20
35	28·64	30·90	81	4·51	4·90
36	27·96	30·21	82	4·26	4·63
37	27·29	29·52	83	4·01	4·37
38	26·62	28·83	84	3·58	4·12
39	25·96	28·15	85	3·56	3·88
40	25·30	27·46	86	3·36	3·66
41	24·65	26·78	87	3·17	3·46
42	24·00	26·10	88	2·99	3·26
43	23·35	25·42	89	2·82	2·08
44	22·71	24·74	90	2·66	2·90
45	22·07	24·06	91	2·51	2·74
92	2·37	2·58	96	1·90	2·11
93	2·24	2·44	97	1·81	2·03
94	2·12	2·30	98	1·72	1·83
95	2·01	2·17	99	1·65	1·73
			100	1·61	1·62

EXPORTATION. (Fr. *Exportation, sortie*, Ger. *Ausfuhr*, Sp. *Exportación.*)

The act of sending commodities out of one country into another.

EXPORTERS. (Fr. *Exportateurs*, Ger. *Exporteure*, Sp. *Exportadores.*)

The persons who are engaged in sending goods to foreign countries.

EXPORTS. (Fr. *Marchandises exportées*, Ger. *Ausfuhrgüter*, Sp. *Exportaciones.*)

The goods sent out of a country in commerce.

The greater part of British exports consists of cotton and woollen goods. Most of the cotton goods are made in South Lancashire, the mills there employing more than half a million operatives. Woollen goods are manufactured in the West Riding of Yorkshire, in the west of England and in Wales, the number of persons occupied in the industry being more than a quarter of a million. Metal goods and machinery are next in order of value.

Of natural products, the only export of consequence is coal.

EX-SHIP. (Fr. *Franco jusqu'au débarquement*, Ger. *ab Schiff*, Sp. *A bordo.*)

This signifies that goods are sold free out of the ship, the purchaser providing the means of removal, and the vendor's responsibility ceasing as soon as the goods leave the ship's side.

EX-WAREHOUSE. (Fr. *Franco jusqu' au dépôt*, Ger. *ab Speicher*, Sp. *En almacen.*)

When goods are sold thus, the purchaser must provide means of conveyance from the warehouse door.

F. This letter occurs in the following abbreviations :—

F.A.A., Free of all average.
F.A.S., Free alongside ship.
F.O.B., Free on board.
F.G.A., Free of general average.
F.P.A., Free of particular average.

FACE VALUE. (Fr. *Valeur nominale*, Ger. *Nennwert, Nominalwert*, Sp. *Según valor.*)

The nominal value written or printed upon the face of the bonds, notes, stock certificates, debentures, or other similar documents indicating their par value, that is, the amount for which they are issued. The face value is frequently very different from the market value,

which may be higher or lower than the face value, at a premium or at a discount.

FACTOR. (Fr. *Agent, Facteur*, Ger. *Agent, Faktor*, Sp. *Factor, Agente.*)

A person who buys or sells goods for another, but carries on the business in his own name, and not in the name of his principal. A factor differs from a broker in that his authority is of a wider description, and in addition, he has generally possession of the goods with which he deals. When a factor is employed to dispose of a cargo which he accompanies on a voyage he is called a supercargo.

A factor being an agent, the authority conferred upon him is fixed by the contract of agency at the commencement of his employment. But much is left to usage and custom, and the usages and customs vary in the different markets in which the factor deals. These bind the principal in his dealings with his agent, unless expressly excluded, and they are always binding upon the principal at the instance of third parties.

As a security for the payment of his charges, a factor has a lien upon the goods entrusted to him in the course of his business.

The law with respect to factors has been codified by the statute passed in 1889. This Act is the result of a long struggle between the mercantile community on one hand, and the principles of the common law on the other. The general rule of the common law is that no one can transfer to another person a better title to goods, etc., than that which he himself possesses. This was found to work injuriously, and merchants and bankers contended that, in the interests of commerce, if a person was put or left in possession of goods or documents of title, he ought, as regards innocent third parties, to be treated as the owner of the goods, and that innocent transferees for value ought to obtain a good title to them. The Factors Act has practically made this the law of the land, and has extended protection to dealings, in the way of sales, pledges, etc., between what are known as mercantile agents and third parties. It follows, therefore, that a purchaser who deals with a mercantile agent or factor, and who has no reason to suspect and does not know that the authority of such person is limited, obtains a perfectly good title to anything which he buys in the ordinary course of business.

The following are the provisions of the Act:—

1. (1) The expression mercantile agent shall mean a mercantile agent having in the customary course of his business as such agent authority either to sell goods, or to consign goods for the purpose of sale, or to buy goods, or to raise money on the security of goods.

(2) A person shall be deemed to be in possession of goods or of the documents of title to goods, where the goods or documents are in his actual custody or are held by any other person subject to his control or for him or on his behalf.

(3) The expression goods shall include wares and merchandise.

(4) The expression document of title shall include any bill of lading, dock warrant, warehouse-keeper's certificate, and warrant or order for the delivery of goods, and any other document used in the ordinary course of business as proof of the possession or control of goods, or authorizing or purporting to authorize either by indorsement or by delivery, the possessor of the document to transfer or receive goods thereby represented.

(5) The expression pledge shall include any contract pledging, or giving a lien or security on, goods, whether in consideration or an original advance or of any further or continuing advance, or of any pecuniary liability.

(6) The expression person shall include any body of persons corporate or unincorporate.

2. (1) Where a mercantile agent is, with the consent of the owner, in possession of goods or of the documents of title to goods, any sale, pledge, or other disposition of the goods, made by him when acting in the ordinary course of business of a mercantile agent, shall, subject to the provisions of this Act, be as valid as if he were expressly authorized by the owner of the goods to make the same; provided that the person taking under the disposition acts in good faith, and has not at the time of the disposition notice that the person making the disposition has not authority to make the same.

(2) Where a mercantile agent has, with the consent of the owner, been in possession of goods or of the documents of title to goods, any sale, pledge or other disposition, which would have been valid if the consent had continued, shall be valid notwithstanding the determination of the consent, provided that the person

taking under the disposition has not at the time thereof notice that the consent has been determined.

(3) Where a mercantile agent has obtained possession of any document of title to goods by reason of his being or having been, with the consent of the owner, in possession of the goods represented thereby, or of any other documents of title to the goods, his possession of the first-mentioned documents shall, for the purposes of this Act, be deemed to be with the consent of the owner.

(4) For the purposes of this Act the consent of the owner shall be presumed in the absence of evidence to the contrary.

3. A pledge of the documents of title to goods shall be deemed to be a pledge of the goods.

4. Where a mercantile agent pledges goods as security for a debt or liability due from the pledgor to the pledgee before the time of the pledge, the pledgee shall acquire no further right to the goods than could have been enforced by the pledgor at the time of the pledge.

5. The consideration necessary for the validity of a sale, pledge, or other disposition of goods, in pursuance of this Act, may be either a payment in cash, or the delivery or transfer of other goods, or of a document of title to goods, or of a negotiable security, or any other valuable consideration; but where goods are pledged by a mercantile agent in consideration of the delivery or transfer of other goods, or of a document of title to goods, or of a negotiable security, the pledgee shall acquire no right or interest in the goods so pledged in excess of the value of the goods, documents, or security when so delivered or transferred in exchange.

6. For the purposes of this Act an agreement made with a mercantile agent through a clerk or other person authorized in the ordinary course of business to make contracts of sale or pledge on his behalf shall be deemed to be an agreement with the agent.

7. (1) Where the owner of goods has given possession of the goods to another person for the purpose of consignment or sale, or has shipped the goods in the name of another person, and the consignee of the goods has not had notice that such person is not the owner of the goods, the consignee shall, in respect of advances made to or for the use of such person, have the same lien on the goods as if such person were the owner of the goods, and may transfer any such lien to another person.

(2) Nothing in this section shall limit or affect the validity of any sale, pledge, or disposition by a mercantile agent.

8. Where a person, having sold goods, continues, or is, in possession of the goods or of the documents of title to the goods, the delivery or transfer by that person, or by a mercantile agent acting for him, of the goods or documents of title under any sale, pledge, or other disposition thereof, or under any agreement for sale, pledge, or other disposition thereof, to any person receiving the same in good faith and without notice of the previous sale, shall have the same effect as if the person making the delivery or transfer were expressly authorized by the owner of the goods to make the same.

9. Where a person, having bought or agreed to buy goods, obtains with the consent of the seller possession of the goods or the documents of title to the goods, the delivery or transfer by that person or by a mercantile agent acting for him, of the goods or documents of title, under any sale, pledge, or other disposition thereof, or under any agreement for sale, pledge, or other disposition thereof, to any person receiving the same in good faith and without notice of any lien or other right of the original seller in respect of the goods, shall have the same effect as if the person making the delivery or transfer were a mercantile agent in possession of the goods or documents of title with the consent of the owner.

10. Where a document of title to goods has been lawfully transferred to a person as a buyer or owner of the goods, and that person transfers the document to a person who takes the document in good faith and for valuable consideration, the last-mentioned transfer shall have the same effect for defeating any vendor's lien or right of stoppage in transitu as the transfer of a bill of lading has for defeating the right of stoppage in transitu.

11. For the purposes of this Act, the transfer of a document may be by indorsement, or where the document is by custom or by its express terms transferable by delivery, or makes the goods deliverable to the bearer, then by delivery.

12. (1) Nothing in this Act shall authorize an agent to exceed or depart from his authority as between himself and his principal, or exempt him from any liability, civil or criminal, for so doing.

(2) Nothing in this Act shall prevent the owner of goods from recovering the goods from an agent or his trustee in bankruptcy at any time before the sale or pledge thereof, or shall prevent the owner of goods pledged by an agent from having the right to redeem the goods at any time before the sale thereof, on satisfying the claim for which the goods were pledged, and paying to the agent, if by him required, any money in respect of which the agent would by law be entitled to retain the goods or the documents of title thereto, or any of them, by way of lien as against the owner, or from recovering from any person with whom the goods have been pledged any balance of money remaining in his hands as the produce of the sale of the goods after deducting the amount of his lien.

(3) Nothing in this Act shall prevent the owner of goods sold by an agent from recovering from the buyer the price agreed to be paid for the same, or any part of that price, subject to any right of set-off on the part of the buyer against the agent.

13. The provisions of this Act shall be construed in amplification and not in derogation of the powers exercisable by an agent independently of this Act.

The Factors Act was extended to Scotland in 1890, subject to the following provisions :—

(1) The expression lien shall mean and include right of retention ; the expression vendor's lien shall mean and include any right of retention competent to the original owner or vendor ; and the expression set-off shall mean and include compensation.

(2) In the application of section five of the Act, a sale, pledge, or other disposition of goods shall not be valid unless made for valuable consideration.

The remuneration paid to a factor for his work and labour is fixed by the agreement between the principal and the factor. It generally takes the form of a percentage commission, and is known as factorage.

FACTORY AND WORKSHOP ACT, 1901. This is the most recent Act passed to regulate all matters connected with factories and workshops. It is a consolidation, with amendments, of all previous legislation respecting both. The Act is extremely elaborate, and the duty of carrying out its provisions is entrusted to a staff of inspectors, seven of whom are women, under the direct control of the Home Office. These inspectors have full powers of entry to any factory or workshop or school where factory children are being educated. They may also demand the production of all registers and documents which are required to be kept in accordance with the Act, and they are empowered to take all legal proceedings for the enforcement of the duties imposed upon the occupiers or owners of the factories and workshops which come within the scope of the Act. The inspectors have a further duty imposed upon them of appointing surgeons for their districts, whose province it is to investigate accidents and to examine young persons and children, and to issue certificates of fitness for employment. A factory or workshop which does not fall within the Act is generally under the direction and control of the local authorities, so far as the regulation and conduct of the same are concerned, to the same extent that factories and workshops are under the control and superintendence of inspectors by reason of the Act.

The following are the main provisions of the Act. In the main the order of dealing with the different matters relating to factories and workshops is the same as in the Act itself, though for the sake of convenience the definitions of factories and workshops, as well as some general definitions, are placed at the beginning instead of at the end.

Factories and Workshops. Factories are divided into two classes, textile and non-textile.

(*a*) Textile factories.

These mean any premises wherein or within the close or curtilage of which steam, water, or other mechanical power, is used to move or work any machinery employed in preparing, manufacturing, or finishing, or in any process incident to the manufacture of cotton, wool, hair, silk, flax, hemp, jute, tow, china-glass, cocoa-nut fibre, or other like material, either separately or mixed together, or mixed with any other material, or any fabric made thereof ; but print works, bleaching and dyeing works, lace warehouses, paper mills, flax scutch mills, rope works, and hat works are not deemed to be textile factories.

(*b*) Non-textile factories.

These include

(1) Print works, that is to say, any premises in which any persons are employed to print figures, patterns, or designs upon any cotton, linen, woollen, worsted, or silken yarn,

or upon any woven or felted fabric not being paper;

(2) Bleaching and dyeing works, that is to say, any premises in which the processes of bleaching, beetling, dyeing, calendering, finishing, hooking, lapping, and making up and packing any yarn or cloth of any material, or the dressing or finishing of lace, or any one or more of such processes, or any process incidental thereto, are or is carried on;

(3) Earthenware works, that is to say, any place in which persons work for hire in making or assisting in making, finishing, or assisting in finishing earthenware or china of any description, except bricks and tiles not being ornamental tiles;

(4) Lucifer-match works, that is to say, any place in which persons work for hire in making lucifer matches, or in mixing the chemical materials for making them, or in any process incidental to making lucifer matches, except the cutting of the wood;

(5) Percussion-cap works, that is to say, any place in which persons work for hire in making percussion caps, or in mixing or storing the chemical materials for making them, or in any process incidental to making percussion caps;

(6) Cartridge works, that is to say, any place in which persons work for hire in making cartridges, or in any process incidental to making cartridges, except the manufacture of the paper or other material that is used in making the cases of the cartridges;

(7) Paper-staining works, that is to say, any place in which persons work for hire in printing a pattern in colours upon sheets of paper, either by blocks applied by hand, or by rollers worked by steam, water, or other mechanical power;

(8) Fustian-cutting works, that is to say, any place in which persons work for hire in fustian cutting;

(9) Blast furnaces, that is to say, any blast furnace or other furnace or premises in or on which the process of smelting or otherwise obtaining any metal from the ores is carried on;

(10) Copper mills;

(11) Iron mills, that is to say, any mill, forge, or other premises, in or on which any process is carried on for converting iron into malleable iron, steel, or tin plate, or for otherwise making or converting steel;

(12) Foundries, that is to say, iron foundries, copper foundries, brass foundries, and other premises or places in which the process of founding or casting any metal is carried on; except any premises or places in which such process is carried on by not more than five persons and as subsidiary to the repair or completion of some other work;

(13) Metal and india-rubber works, that is to say, any premises in which steam, water or other mechanical power is used for moving machinery employed in the manufacture of machinery, or in the manufacture of any article of metal not being machinery, or in the manufacture of india-rubber or gutta-percha, or of articles made wholly or partially of india-rubber or gutta-percha;

(14) Paper mills, that is to say, any premises in which the manufacture of paper is carried on;

(15) Glass works, that is to say, any premises in which the manufacture of glass is carried on;

(16) Tobacco factories, that is to say, any premises in which the manufacture of tobacco is carried on;

(17) Letter-press printing works, that is to say, any premises in which the process of letter-press printing is carried on;

(18) Bookbinding works, that is to say, any premises in which the process of bookbinding is carried on;

(19) Flax scutch mills;

(20) Electrical stations, that is to say, any premises or that part of any premises in which electrical energy is generated or transformed for the purpose of supply by way of trade, or for the lighting of any street, public place, or public building, or of any hotel, or of any railway, mine, or other industrial undertaking.

The following are also non-textile factories if steam, water, or other mechanical power is used in aid of the manufacturing process carried in them.

(1) Hat works, that is to say, any premises in which the manufacture of hats or any process incidental to their manufacture is carried on;

(2) Rope works, that is to say, any premises being a ropery, ropewalk, or rope work, in which is carried on the laying or twisting or other process of preparing or finishing the lines, twines, cords, or ropes, and in which machinery moved by steam, water, or other mechanical power is not used for drawing or spinning the fibres of flax, hemp, jute, or tow, and which has no internal communication with any buildings or premises joining or forming part of a

textile factory, except such communication as is necessary for the transmission of power;

Bakehouses, that is to say, any places in which are baked bread, biscuits, or confectionery from the baking or the selling of which a profit is derived;

(4) Lace warehouses, that is to say, any premises, room, or place not included in bleaching and dyeing works as hereinbefore defined, in which persons are employed upon any manufacturing process or handicraft in relation to lace, subsequent to the making of lace upon a lace machine moved by steam, water, or other mechanical power;

(5) Shipbuilding yards, that is to say, any premises in which any ships, boats, or vessels used in navigation are made, finished or repaired;

(6) Quarries, that is to say, any place, not being a mine, in which persons work in getting slate, stone, coprolites, or other minerals;

(7) Pit banks;

(8) Dry cleaning, carpet beating, and bottle washing works.

(9) Places where manual labour is exercised by way of trade in altering, repairing, finishing, or adapting for sale any article.

(c) Workshop.

Where the steam, water, or other mechanical power which makes the premises a factory is absent, the place is termed a workshop.

General Definitions.—The expression child means a person who is under the age of fourteen years, and who has not, being of the age of thirteen years, obtained the certificate of proficiency or attendance at school;

The expression machinery includes any driving strap or band;

The expression mill-gearing comprehends every shaft, whether upright, oblique, or horizontal, and every wheel, drum, or pulley, or other appliance by which the motion of the first moving power is communicated to any machine appertaining to a manufacturing process;

The expression night means the period between nine o'clock in the evening and six o'clock in the succeeding morning;

The expression parent means a parent or guardian of, or person having the legal custody of, or the control over, or having direct benefit from the wages of, a young person or child;

The expression prescribed means prescribed for the time being by the Secretary of State;

The expression process includes the use of any locomotive.

The expression week means the period between midnight on Saturday night and midnight on the succeeding Saturday night;

The expression woman means a woman of the age of eighteen years and upwards;

The expression young person means a person who has ceased to be a child and is under the age of eighteen years.

Health.—The requirements of the Act as to health as well as to safety apply to all factories and workshops except those in which male adults are exclusively employed. They must be maintained in a cleanly state, and kept free from effluvia arising from defective drains or other nuisances. For the purpose of securing cleanliness, all the inside walls of the rooms, ceilings, passages, and staircases must be limewashed every fourteen months or painted once in seven years.

Overcrowding must be avoided, and a factory or workshop is deemed to be overcrowded if there is less than 250 cubic feet of space allowed for every person employed during ordinary times, or 400 cubic feet during overtime. This space allowance may be increased by order if any other artificial light than the electric light is used. A notice must be put up specifying the number of persons employed in each room of the factory or workshop. The ventilation must be of such a character as to render harmless, so far as is practicable, all the gases, vapours, dust, or other impurities generated in the course of the manufacturing processes carried on that may be injurious to health. If the floors are likely to become wet, there must be a proper system of drainage. There must also be suitable sanitary accommodation for each sex. It is the duty of the inspector to see that these requirements are satisfied, though the Secretary of State may by a special order modify some of them in particular cases.

Safety.—All machinery must be fenced in, and the fencing must be maintained in an efficient state. Steam boilers must have a proper safety valve and steam gauge attached to them, and they must be examined by a competent person once every fourteen months. Self-acting machines are the subject of special regulations, set out in section twelve of the Act. No child is allowed to clean machinery in motion, and a

young person may not clean any dangerous part of machinery so long as it is in motion. Means of escape in case of fire must be provided, and always maintained in good condition and free from obstruction. The doors must open easily from the inside, and in the case of new factories they must open outwards. A court of summary jurisdiction may prohibit the use of machinery or plant which is dangerous to life or limb in any factory or workshop, on the complaint of an inspector, and may close a factory or a workshop which is in an unhealthy or dangerous condition.

Accidents.—Notice of any accident causing loss of life or serious injury is to be sent to the district inspector and to the certifying surgeon. A full investigation of the same is to be made, and a report prepared as to the circumstances of the whole affair.

Employment.—The regulations as to the hours of employment have reference to women, young persons, and children only. They do not apply to male adults. Notices clearly setting out the hours of labour and the time allotted for meals are to be affixed in the factories and workshops. Meals are not to be taken in the rooms where work is carried on. No Sunday work is allowed except in the case of Jews. The usual public holidays are to be observed, or other days granted instead thereof.

In textile factories, and in print, bleaching, and dyeing works, the hours of employment for women and young persons, on all days except Saturdays, may be between 6 a.m. and 6 p.m., or between 7 a.m. and 7 p.m. Two hours are to be devoted to meals, of which one hour must be before 3 p.m. On Saturdays, if work begins at 6 a.m., it is to end at mid-day for employment in any manufacturing process, and at 12.30 p.m. for any other employment, though half an hour is to be deducted from each of these times if less than one hour is allowed for meals. In any case there must be an allowance of half an hour. When work begins at 7 a.m. it is to finish at 12.30 or 1 p.m. under similar circumstances, half an hour being allowed for meals.

In non-textile factories and workshops, the daily hours, except Saturdays, are fixed as commencing at 6, 7, or 8 a.m., and finishing at 6, 7, or 8 p.m., with an allowance of 1½ hours for meals, one hour of which must be before 3 p.m. On Saturdays, the hours are fixed as between 6, 7, and 8 a.m., and 2, 3, and 4 p.m., with half an hour's allowance for meals. If the period of employment on any one day of the week is not more than eight hours, Saturday's period may be from 6 a.m. to 4 p.m., with an interval of two hours for meals.

Children can only be employed on the system of morning and afternoon sets, or on alternate days. The minimum age for employment in a factory or workshop is twelve years.

There are many exceptions to the general rules and regulations as to the hours of employment, particulars of which must be obtained from the Act itself.

Overtime may be worked by women employed in non-textile factories and workshops to the extent of two hours daily or three days in any one week, or thirty days in any one year, an allowance of two hours being made for meals instead of an hour and a half, of which half an hour must be after 5 p.m. This rule may be extended by a special order of the Secretary of State, either generally or under special circumstances.

As to night work, a male young person of fourteen years of age may be employed in blast furnaces, iron mills, letter-press printing works and paper mills. The period of employment is not to exceed twelve consecutive hours, nor must there have been employment during the preceding twelve hours. There must likewise be no employment during the succeeding twelve hours. Night work is not allowed on more than six nights, or in the case of blast furnaces and paper mills, seven nights in any two consecutive weeks. If the night employment is in glass works, the total period must not exceed sixty hours in any one week. In a factory or workshop where newspaper printing is carried on, a male young person of sixteen years of age may be employed on two nights a week, but not for any longer consecutive period than twelve hours.

Notification must be made to the district inspector by the owner or occupier of a factory or workshop, if it is intended to take advantage of any of the exceptions of the Act to work overtime, or to utilise the night labour of a male young person under sixteen years of age.

No woman is allowed to work in a factory or workshop within four weeks of childbirth, and no person under sixteen years of age is to be employed unless the certifying surgeon has granted him or her a certificate of fitness.

Education.—Children employed in factories or workshops must attend some recognized efficient school, except those over the age of thirteen years who have obtained an educational certificate. Where the employment is on the morning or afternoon set system, one attendance per day must be made, and where it is on the alternate day system, two attendances must be made on each workday preceding each day of employment.

Dangerous and Unhealthy Industries.—There are certain trades and industries which are specifically regulated by the Act, but a wide discretion is given to the Secretary of State as to the classification of other industries as dangerous, and as to the imposition of regulations concerning them. There is no general disposition on the part of the legislature to extend their protection beyond women, young persons, and children. Male adults are left to contract as they choose, unless a special exception is made in their favour. In some industries young persons and children are altogether excluded from employment, and in all cases where there is risk of danger or the conditions are unhealthy, stringent regulations are imposed as to washing accommodation and ventilation. In addition, any medical practitioner who visits a patient suffering from lead, phosphorus, arsenical, or mercurial poisoning, or anthrax, which has been contracted in any factory or workshop, must notify the same to the Home Office, to the district inspector, and to the certifying surgeon. These matters are fully dealt with in sections 73 to 86 of the Act.

Special Modifications and Extensions.—The fifth part of the Act deals with tenement factories, cotton cloth factories, bakehouses, laundries, docks, etc., from the provisions of which there is no exemption on the ground of men alone being employed in or about them.

(*a*) Tenement factories. This is the name given to those factories in which mechanical power is supplied from some common source to the different manufacturing processes carried on in the same building. For the purposes of the Act all buildings so supplied and situated within the same close or curtilage are treated as one building. The owner of the whole building, whether he is one of the occupiers or not, is responsible for the observan
cleanliness,
fencing of machinery, prevention of inhalation of impurities, and the affixing of notices and orders. Special precautions are required to be taken in those tenement factories in which the grinding of cutlery is carried on, and arrangements must be made by which there is instantaneous communication between the various rooms and with the engine-room and the boiler-house.

(*b*) Cotton cloth factories. In these factories atmospheric humidity is artificially produced. Sections 90 to 96 and the fourth schedule of the Act deal with the temperature and humidity that are to be allowed, though the Secretary of State is empowered to make alterations in the same from time to time. For the protection of health there are minute regulations as to the sources of supplies of water, the sizes of steam-pipes and their covering, and the arrangements for ventilation.

(*c*) Bakehouses. No place or building of an insanitary character, nor any pipe or drain connecting with the same, must communicate with any part of a bakehouse. Underground bakehouses are forbidden, except those certified to be in a fit condition and constructed before 1902. (An underground bakehouse is one of which the floors are more than three feet below the level of the street.) No part of a building on the same level as a bakehouse may be used for sleeping accommodation unless it is effectually separated from the bakehouse by a partition extending from the floor to the ceiling, and has an external glazed window which can be opened for ventilation. The interior of every bakehouse must be either lime-washed every six months, or painted or varnished every seven years, and in the latter case the paint or varnish must be washed every six months. The provisions of the Act as to retail bakehouses are enforced by the district council, and not by the factory inspector.

(*d*) Laundries. In every laundry carried on by way of trade or for the purpose of gain, the Act provides as follows:—

(1) (*a*) The period of employment, exclusive of meal hours and absence from work, shall not exceed, for women fourteen hours, for young persons twelve hours, and for children ten hours in any consecutive twenty-four hours; nor a total for women and young persons of sixty hours, and for children of thirty hours, in any one week, in addition to such overtime as may be allowed in the case of women.

(*b*) A woman, young person, or child

must not be employed continuously for more than five hours without an interval of at least half an hour for a meal.

(c) Women, young persons, and children employed in the laundry shall have allowed to them the same holidays as are allowed to women, young persons, and children employed in a factory or workshop under this Act.

(d) So far as regards provisions with respect to health and safety, accidents, education of children, notice of occupation of a factory or workshop, the affixing of abstracts and notices and the matters to be specified in those notices (so far as they apply to laundries), powers of inspectors, fines, and legal proceedings for any failure to comply with the provisions of this section, this Act shall have effect as if every laundry in which steam, water, or other mechanical power is used in aid of the laundry process were a factory, and every other laundry were a workshop, and as if every occupier of a laundry were the occupier of a factory or of a workshop.

(e) The notice to be affixed in the laundry shall specify the period of employment and the times for meals, but the period and times so specified may be varied before the beginning of employment on any day.

(f) The provisions of this Act prohibiting the employment of women within four weeks after childbirth, and of children under the age of twelve years, shall apply to the laundry in like manner as to a factory or workshop.

(2) Women employed in laundries may work overtime, subject to the following conditions, namely:—

(a) A woman must not work more than fourteen hours in any day; and

(b) The overtime worked must not exceed two hours in any day; and

(c) Overtime must not be worked on more than three days in any week or more than thirty days in any year; and

(d) The requirements of section sixty of this Act with respect to notices must be observed.

(3) In the case of every laundry worked by steam, water, or other mechanical power—

(a) A fan or other means of a proper construction must be provided, maintained, and used for regulating the temperature in every ironing-room, and for carrying away the steam in every washhouse in the laundry; and

(b) All stoves for heating irons must be sufficiently separated from any ironing-room, and gas-irons emitting any noxious fumes must not be used; and

(c) The floors must be kept in good condition and drained in such manner as will allow the water to flow off freely.

A laundry in which these provisions are contravened shall be deemed to be a factory not kept in conformity with this Act.

(4) Nothing in this section shall apply to any laundry in which the only persons employed are—

(a) Inmates of any prison, reformatory, or industrial school, or other institution for the time being subject to inspection under any Act other than this Act; or

(b) Inmates of an institution conducted in good faith for religious or charitable purposes; or

(c) Members of the same family dwelling there,

or in which not more than two persons dwelling elsewhere are employed.

Docks.—Docks, wharves, quays, warehouses connected with them, buildings for the construction of which machinery is temporarily used, and railway lines and sidings used in connection with a factory or a workshop, are classed as factories for the purposes of the Act, and the provisions and regulations as to accidents, dangerous trades, and the powers of inspectors apply to each.

Home Work.—In the case of persons employed in such classes of work as may from time to time be specified by special order of the Secretary of State, the occupier of every factory and workshop and every contractor employed by him is required to keep lists showing the names and addresses of all persons directly employed by him in the business of the factory or workshop outside the same, and the places where they work, and to send copies of the lists to the local district council on or before February 1 and August 1 of each year. If notice is given to the occupier of a factory or workshop by the local district council that any of these places outside the factory or workshop is injurious or dangerous to health, no further work must be given out to be done there. This provision applies to the following classes of work: making, repairing, and cleaning of wearing apparel; the making, ornamenting, and finishing of lace, lace curtains, and nets; cabinet and furniture making; upholstery work; the making of electro-plate and files; and fur pulling. Wearing apparel must not be given out to be made, cleaned, or repaired in any places in which an inmate is suffering

from scarlet fever or small-pox. The local district council may also make an order forbidding any work to be given out to any person living or working in a house in which there is a person suffering from any infectious disease.

A private dwelling-house becomes a domestic factory or workshop by reason of the work carried on there by the members of the family, even when there is no mechanical power made use of. The Act regulates the hours of employment as far as young persons and children are concerned as follows:—

(*a*) No young person may be employed except between 6 a.m. and 9 p.m. on any week-day, nor after 4 p.m. on Saturdays. The allowance for meal times is two and a half hours on Saturdays, and four and a half on each of the other days of the week.

(*b*) No child may be employed except between 6 a.m. and 1 p.m., or 1 p.m. and 8 p.m. On Saturdays the last-named hour is reduced to 4 p.m. A child must not be employed in successive weeks during the same one of the above periods, nor on Saturday if he has been employed during that week in the morning, or on Saturday afternoon if employed during the week in the afternoon. Continuous employment beyond five hours without an interval for meals is forbidden, and attendance at school is compulsory unless a certificate of exemption has been granted.

The provisions of the Act do not apply to domestic workshops in which the only industries carried on are straw plaiting, pillow-lace making, glove making, or the making, altering, repairing, ornamenting, finishing, or adapting for sale of any article which is not the regular and principal means of livelihood of the family.

Particulars of Work and Wages.—In every textile factory the occupier is required to give particulars of the work done and of the rate of wages to be given to each piece worker, in order to enable such worker to compute the total amount of wages due to him. This may also be extended, by special order, to non-textile factories and workshops, and also to domestic factories and workshops. But where the persons employed are men only, this portion of the Act does not apply.

Notices, Registers, and Returns.—Great importance is attached to this portion of the Act. The sections dealing with them are therefore given in full.

127. (1) Every person shall, within one month after he begins to occupy a factory or workshop, serve on the inspector for the district a written notice containing the name of the factory or workshop, the place where it is situate, the address to which he desires his letters to be addressed, the nature of the work, the nature and amount of the moving power therein, and the name of the person or firm under which the business of the factory or workshop is to be carried on.

(2) In the event of a contravention of this section by the occupier of a factory or workshop, he shall be liable to a fine not exceeding five pounds.

(3) Where an inspector receives notice in pursuance of this section with respect to a workshop, he shall forthwith forward the notice to the district council of the district in which the workshop is situate.

128. (1) There shall be affixed at the entrance of every factory and workshop, and in such other parts thereof as an inspector for the time being directs, and be constantly kept so affixed in the prescribed form and in such position as to be easily read by the persons employed in the factory or workshop—

(*a*) The prescribed abtract of this Act; and

(*b*) A notice of the name and address of the prescribed inspector; and

(*c*) A notice of the name and address of the certifying surgeon for the district; and

(*d*) A notice of the clock (if any) by which the period of employment and times for meals in the factory or workshop are regulated; and

(*e*) Every notice and document required by this Act to be affixed in the factory or workshop.

(2) In the event of a contravention of this section in a factory or workshop, the occupier of the factory or workshop shall be liable to a fine not exceeding forty shillings.

129. (1) In every factory and workshop there shall be kept a register, called the general register, showing in the prescribed form the prescribed particulars as to—

(*a*) The children and young persons employed in the factory or workshop; and

(*b*) The lime-washing of the factory or workshop; and

(*c*) Every accident in the factory or workshop of which notice is required to be sent to an inspector; and

(*d*) Every special exception of which

the occupier of the factory or workshop avails himself; and

(*e*) Such other matters as may be prescribed.

(2) Where any entry is required by this Act to be made in the general register, the entry made by the occupier of a factory or workshop or on his behalf shall, as against him, be admissible as *primâ facie* evidence of the facts therein stated, and the failure to make any entry so required with respect to the observance of any provision of this Act shall be admissible as prima facie evidence that that provision has not been observed.

(3) The register shall at all reasonable times be open to inspection by the certifying surgeon of the district.

(4) The occupier of a factory or workshop shall send to an inspector such extracts from the general register as the inspector from time to time requires for the execution of his duties under this Act.

(5) If in any factory or workshop any requirement of this section is not complied with, the occupier shall be liable to a fine not exceeding five pounds.

130. (1) The occupier of every factory or workshop shall, on or before such days as the Secretary of State may direct, at intervals of not less than one nor more than three years, send to the Chief Inspector of Factories a correct return specifying, with respect to such day or days, or such period as the Secretary of State may direct, the number of persons employed in the factory or workshop, with such particulars as to the age, sex, and occupation of the persons employed as the Secretary of State may direct, and in default of complying with this section shall be liable to a fine not exceeding ten pounds.

(2) The occupier of any place to which any of the provisions of this Act apply shall, if so required by the Secretary of State, make to the Chief Inspector of Factories a like return as is required to be made by this section, and shall be liable to a like fine for default in compliance with the requirement.

131. Every district council shall keep a register of all workshops situate within their district.

132. The medical officer of health of every district council shall, in his annual report to them, report specifically on the administration of this Act in workshops and workplaces, and he shall send a copy of his annual report, or so much of it as deals with this subject, to the Secretary of State.

Penalties.—Various penalties are imposed for specific offences set out in the Act. Proceedings are ordinarily taken before justices on the complaint of the factory inspector, or the local district council. There is a right of appeal from the decision of the justices to quarter sessions.

FAILURE. (Fr. *Faillite*, Ger. *Zahlungseinstellung*, Sp. *Quiebra, fallido.*)

The suspension of payment of a commercial firm or an individual.

FAIR TRADE. (Fr. *Commerce loyal*, Ger. *gerechter Handel*, Sp. *Comercio legal.*)

Taxing the goods coming from those countries which impose duties upon English manufactures, and only admitting the commodities of other nations duty free to the same extent as they admit English goods on the same terms.

FALKLAND ISLANDS. (British) The Falkland Islands, situated about 250 miles to the east of Cape Horn, have a scanty population of Europeans. The climate is damp and cheerless. Wool of fine quality is the chief commercial product exported. At Port Stanley, the only important settlement, there are shipyards for the repair of vessels sailing round Cape Horn or through the Straits of Magellan.

Mails are sent to the Falkland Isles once a month, via Liverpool. The time of transit is about twenty-five days. Telegrams may be despatched to Monte Video (Uruguay) at the rate of 4*s.* 2*d.* per word, and then forwarded by post.

FARTHING. (Fr. *Farthing, centime*, Ger. *Heller*, Sp. *Farding* (*Moneda inglesa*).)

The fourth part of a penny. At one time the penny was issued nearly divided into quarters by two deep cuts, so that a fourth would be easily broken away. Farthings are indicated in accounts by fractions of a penny. In banking accounts farthings do not occur, as fractions of a penny are not recognized.

FATHOM. (Fr. *Brasse*, Ger. *Klafter*, Sp. *Braza.*)

A measure of length containing six feet. It is principally employed in ascertaining the depth of water and mines, and for regulating the length of cordage and cables.

FAVOUR. (Fr. *Lettre, honorée, commande*, Ger. *geehrtes Schreiben, Geehrtes*, Sp. *Carta, favor, grata.*)

A name frequently used in commercial correspondence to indicate a letter received.

FEE. This word has two meanings, in law and commerce.

1. (Fr. *Fief*, Ger. *Lehen*, Sp. *Libre de cargas.*)

A grant of land for feudal service.

2. (Fr. *Honoraires*, Ger. *Gebühr, Honorar*, Sp. *Honorarios, gratificaciones, cuotas.*)

A recompense for services rendered or to be rendered.

FEE-SIMPLE. (Fr. *Fief simple, propriété libre*, Ger. *Freilehen*, Sp. *Propiedad libre de cargas.*)

A freehold estate or inheritance absolutely free and at the entire disposal of the owner. It is the highest estate in land known to the English law.

FEE-TAIL. (Fr. *Bien substitué*, Ger. *bedingtes Lehen*, Sp. *Bienes substituidos.*)

A freehold estate or inheritance which must descend in a particular line.

FEU. (Fr. *Fief, rente foncière*, Ger. *Lehngut*, Sp. *Feudo, tenencia feudal.*)

This is, literally, land that is held on feudal tenure. In Scotland, it is a tenure in which the vassal makes a return in grain or in money, in place of military service.

FIAT. (Fr. *Commandement, ordre, décret, consentement*, Ger. *Befehl*, Sp. *Ordenamiento, decreto.*)

A Latin word meaning "let it be done." It is generally used to indicate a formal order.

FIDELITY GUARANTEE. (See *Guarantee.*)

FIDUCIARY LOAN. (Fr. *Prêt fiduciaire*, Ger. *ungedeckte Anleihe*, Sp. *Préstamo fiduciario.*)

A loan granted without security upon the confidence of the honour of the borrower.

FIDUCIARY NOTE ISSUE. (Fr. *Émission fiduciaire*, Ger. *ungedeckte Notenausgabe*, Sp. *Emisión fiduciera.*)

An issue of notes by banks or governments without any reserve of coin or bullion to meet them, but on the faith that they will be paid upon presentation.

FIEF. (Fr. *Fief*, Ger. *Lehen*, Sp. *Feudo.*)

Land held of a superior in fee, or on condition of the performance of military or other service.

FIERI FACIAS. The name of the writ which is issued after a judgment has been obtained (generally called *fi. fa.*), commanding the sheriff to recover the amount of the judgment out of the goods and chattels of the judgment debtor, together with interest at the rate of 4 per cent., and to pay the same into court for the benefit of the judgment creditor. By the authority thus given, the sheriff can enter the dwelling place of the debtor and seize any goods that are his property. But he must not seize the goods of any other person, and he will be a trespasser if he enters the house of a third person and there are no goods in it which are the property of the debtor.

Under the writ the sheriff after seizure may sell all the goods and chattels which he has taken with the exception of the wearing apparel and bedding of the judgment debtor or his family, and the tools and implements of his trade to the value of £5. He may also sell a lease or term of years, and assign the same under his seal of office to the purchaser. Growing corn and crops which are raised by the industry of man are liable to seizure, and, by statute, such *choses in action* as bank-notes, cheques, bills of exchange, bonds, and other securities for money may be taken. But goods which are in the custody of the law, as by distress, are exempt.

If goods are wrongfully seized, as being the property of a third person, the rightful owner may intervene and claim them. The usual course, however, in any case of doubt, is for the sheriff to claim the protection of the court. This is done by means of what is called "an interpleader summons," which is served upon the claimant and the execution creditor. Both these parties and the sheriff attend before a master, and the latter almost invariably directs an issue, that is, orders that the claims of the execution creditor and the claimant shall be heard in an ordinary trial, the sheriff meantime retaining the goods, and being ready to give them up to the successful party. The master has power to decide the case summarily if the amount in dispute is less than £50, and there is no difficult question of law or fact. Unless the claimant is willing to give security to abide the event of the issue, the sheriff may be empowered to sell so much of the goods as will realize the amount of the judgment debt.

In many cases the trial of an interpleader issue, where the amount of the judgment is not very considerable, is heard in some county court, as it is likely to come on at an earlier date than if it is tried in the High Court.

FIJI (BRITISH). The Crown Colony of Fiji consists of a group of islands in the Pacific Ocean, over 200 in number, of which about 80 are inhabited. The total area of the group is rather greater

than that of Wales, having a population of 117,870. The largest island, Viti Levu, is about the same size as Jamaica. Vanua Levu, the second in size, is as large as Devonshire. These islands are mountainous and well watered, enjoying a charming climate. The chief productions are maize, cocoa-nuts, sugar, bananas, and tea. The exports are sugar, copra, fruit, and tea. The chief towns are Suva, the capital, on the south coast of Viti Levu, and Levuka, on the small island of Ovalau.

The regular mail service is via San Francisco or Vancouver, once in three weeks by the former, and once a month by the latter. Suva is situated 11,000 miles from London, and the time of transit is thirty days. The cost of telegrams is 3*s*. per word.

FILE. (Fr. *Liasse, Pique-notes,* Ger. *Vorrichtung zum Aufreihen von Papier,* Sp. *Fila de papeles.*)

A wire or other contrivance in or upon which papers are arranged in order.

FINANCE. (Fr. *Finance,* Ger. *Finanzwesen,* Sp. *Financia.*)

The science regulating money matters. Formerly the word was only used in connection with the management of the revenues of a state. Now it has a wider meaning, and is most generally applied in commerce to the raising of money by subscriptions, and in the employment of it in loans for the carrying out of public or commercial undertakings.

FINANCIER. (Fr. *Financier,* Ger. *Finanzmann,* Sp. *Financiero.*)

A person who is versed in finance, or who raises or supplies money for public or commercial undertakings.

FIRE INSURANCE. (Fr. *Assurance contre l'incendie,* Ger. *Feuerversicherung,* Sp. *Seguro de incendio.*)

This is a contract of indemnity, almost invariably effected by joint-stock companies. The insurer undertakes, in consideration of the premium paid, to make good any loss or damage caused by fire during a specified time. The maximum amount which can be claimed is fixed by the parties and inserted in the policy, but this amount is not the measure of the loss. The loss can only be ascertained after a fire has occurred.

The period for which the insurance is effected is generally one year, and the policy is renewed annually by payment of another premium, the insurer generally allowing fifteen days, called days of grace, after the expiration of the year for the renewal of the policy.

The insured person must have an interest of a pecuniary nature in the subject matter of the contract. As a rule any existing right or interest amounts to an insurable interest. An owner can insure his own goods, a trustee the property which he holds in trust, a common carrier the things which come into his possession in the ordinary course of his trade, and a pawnbroker his pledges.

The utmost good faith is required in filling the proposal form. The policy sets out the risks which are insured against. Fire policies vary greatly according to the nature of the property or goods insured, and the exact construction of each will depend upon the particular facts. As a general rule, in addition to the requirements of full disclosure and true description, in order to maintain the policy valid, the insured is bound—

(1) Not to increase the risk subsequently to the granting of the policy by doing anything to the goods or to the building in which they are contained;

(2) Not to remove the goods without the consent of the insurer;

(3) Not to assign the goods otherwise than by will.

No policy is issued until after the first premium has been paid.

When a loss occurs, it is generally stipulated that notice shall be given to the insurance office within a certain time, accompanied by full particulars of the goods destroyed and an estimate of their value. This will then be a condition precedent to the insured's taking proceedings to recover the amount of the loss he has sustained. If the parties cannot agree, the dispute is commonly referred to arbitration.

As a person cannot recover more than the amount of his actual loss, limited as has been stated to the sum fixed by the policy, there is no advantage in effecting numerous insurances in various offices in excess of the total value of the property. If this is done, the insurance offices share the losses, each paying in proportion to the amount insured with them. Moreover, an insurer is entitled to every right of the insured which arises upon the occurrence of the risk, and is independent of the insurance. This is called the "doctrine of subrogation," and a good example of it is the case of *Castellain* v. *Preston* (1883), 11 Q.B.D. 380. In that case a vendor had contracted with a purchaser for the sale of a house at a specified sum. The house had been insured by the vendor against

fire, but the contract of sale contained no reference to the insurance. After the date of the contract, but before the date fixed for the completion of the sale, the house was damaged by fire, and the insurance company paid the amount of the damage to the vendor. The purchase was afterwards completed and the purchaser paid the agreed purchase money without any deduction on account of the damage caused by the fire. It was held that the vendor, having suffered no loss on the sale of the house, was bound to return the insurance money to the company.

By 14 Geo. III. c. 78, passed in 1774, it was enacted when a building in the Metropolitan district is burnt down, any person interested—especially the insurance offices—may require the insurance money to be laid out in repairing or rebuilding the structure. By 28 & 29 Vict. c. 90, passed in 1865, any damage occasioned by the Metropolitan Fire Brigade in the due execution of their duties shall be deemed to be damage by fire within the meaning of any policy of insurance against fire.

The rate of premium usually charged on common risks is 1*s.* 6*d.* per cent., hazardous, 2*s.* 6*d.* per cent., and doubly hazardous, 4*s.* 6*d.* per cent.

The policy must bear a penny stamp, which may be an adhesive one. (See *Insurance Offices.*)

FIRKIN. (Fr. *Quartaut*, Ger. *Viertelfass*, Sp. *Cuñete.*)

An old measure of capacity, the fourth part of a barrel, equivalent to nine imperial gallons.

FIRM. (Fr. *Maison, raison sociale*, Ger. *Firma*, Sp. *Razón social, casa.*)

The collective name of a number of persons who carry on a partnership business. The number of persons must not exceed twenty in any case, and if the business is a bank, ten, unless registered under the Companies' Acts. In legal proceedings the firm name may always be used instead of the individual names of the partners, even when the business is carried on by one person in some name or under some style which is not his own. But no order of adjudication in bankruptcy is made against a firm in the firm name, but against each partner individually.

FIRST-CLASS PAPER. (Fr. *Papier de première valeur*, Ger. *feinstes Papier*, Sp. *Papel de primera.*)

In the money market, a phrase given to bills, drafts, promissory notes, and similar documents, which bear the names of well-known houses or financiers as acceptors or indorsers. Consols, exchequer bills and bonds, and treasury bills and bonds, being guaranteed by the Government, are included under this head.

FIRST HAND. (Fr. *de première main*, Ger. *aus erster Hand*, Sp. *De primera mano.*)

A term applied to all goods obtained direct from the maker, importer, or wholesale dealer.

FIRST OF EXCHANGE. (See *Bill of Exchange.*)

FITTAGE. (Fr. *Commission*, Ger. *Provision*, Sp. *Comisión.*)

A term used in certain trades for a commission or brokerage.

FITTER. (Fr. *Commissionaire*, Ger. *Kohlen-agent*, Sp. *Agente.*)

In the coal trade a fitter is the manager or salesman of coal for a colliery—not necessarily at the mine—who arranges sales and the loading of boats with coal.

FIXED CAPITAL. (Fr. *Capital fixe, capital engagé*, Ger. *festes Kapital*, Sp. *Capital fijo.*)

This signifies capital which is employed in the purchase of land, in the execution of works, or in the erection of machinery in the hope of making a series of profits during an indefinite period of time. As all things are liable to destruction by wear and tear no capital can be considered as absolutely fixed; but every capitalist expects that the profits derived from the employment of what is generally known as fixed capital will be sufficient to replace the old stock by new, and yield in addition a certain gain to himself.

FIXTURES. (Fr. *Meubles à demeure fixes*, Ger. *Unbewegliche Gegenstände*, Sp. *Muebles fijos.*)

Fixtures may generally be described as articles of a personal nature which have become affixed to land. The principle from which this definition originates is found in the maxim *quidquid plantatur solo solo cedit.* In early times the maxim was carried out literally. When anything was annexed to land and made a part of it, the owner of the article lost the whole of his property in the same, and was considered to have made a gift of it to the freeholder. But in more recent times the meaning of the word has been considerably restricted.

Difficulties as to fixtures may arise either between the devisee of an estate and the personal representative of a deceased person, or between a landlord and his tenant. In the former case

there is this single point to consider: Did the person who annexed the chattel to the land do so with the intention of incorporating the same with the property? If he did the fixture passes to the devisee of the land, if not it forms part of the general estate of the testator and passes to the personal representative. It is impossible to lay down a general rule, and the circumstances of each case must be considered before an inference can be drawn as to the purpose of annexation. In a very recent case the facts were as follows: Tapestries had been purchased by the tenant for life of freehold estates and affixed to the walls of the drawing-room in the mansion house. Strips of wood were placed over the paper which covered the walls, and were fastened by nails to the walls. Canvas was then stretched over the strips of wood and nailed to them, and the tapestries were then stretched over the canvas and fastened by tacks to it and the pieces of wood. Mouldings, resting on the surface of the wall and fastened to it, were placed round each piece of tapestry. Portions of the walls which were not covered by the tapestries were covered with canvas, which were coloured or painted so as to harmonise with the tapestries. It was held that the tapestries had been thus affixed for the purpose of ornamentation and the better enjoyment of them as chattels, and that on the death of the tenant for life they did not pass with the freehold to the remainderman, but formed part of the personal estate of the tenant for life, and could be removed by the executor, the latter paying the expenses of making good the damage done in removing the tapestries, but not the cost of redecorating the room.

Between landlord and tenant the question of fixtures is of a more extensive character. The fixtures may be divided into two classes: (*a*) landlord's fixtures, and (*b*) tenant's fixtures. The former include all those chattels which have been placed on the land by the landlord himself, either before the commencement or during the continuation of the term, or which are on the premises at the beginning of such term, and also those erected by the tenant which he is not at liberty to take away. The latter are those which a tenant has a right to remove and take away at the end of his tenancy, and which have been erected by him for the purposes of trade, ornament, domestic use, or agriculture. A tenant may also remove any fixtures which have been the subject of special stipulations between the landlord and himself.

It is the general rule of law that if the tenant affixes anything to the freehold during the period of his tenancy, no removal can take place without the consent of the landlord. But there must be complete annexation. Mere contact with the soil is insufficient, no matter how heavy the chattel is. A wooden barn supported by beams resting on the ground is not a fixture which passes to the landlord, nor does it make any difference if the supports of such a building are fixed in the ground. But where an engine was affixed by means of screws and bolts to a concrete bed in freehold land, for the purpose of driving a saw mill on the land, the engine was held to have ceased to be a chattel and to have become a part of the freehold. The annexation may likewise be constructive. For example, keys, locks, moveable windows, and doors, and the duplicate parts of machines, which are in themselves fixtures. But the annexation may be shown to be incomplete, if it is clear that the mode of annexation is such that the chattel can be removed and taken away without any injury being done to the freehold, and if the circumstances are such as to lead to a presumption that the annexation was intended to be for a temporary purpose or for the sake of enjoyment. Otherwise a carpet or a picture would not be removeable by a tenant.

It was not until a century and a half ago that a tenant was allowed to remove fixtures set up for the purpose of ornament or convenience. And even now, if any erection is in the nature of a permanent improvement of the premises, and cannot be removed without substantial damage being done to the freehold, the old rule of law remains, and the landlord becomes the owner. Among articles set up for ornament or convenience which may be removed are looking-glasses, tapestry hangings, window-blinds, cornices, ornamental chimney-pieces, cupboards, bookcases, on brackets screwed to the walls, and gas-fittings. But it has been held that a verandah fixed to posts in the ground, greenhouses built in a garden, a boiler built in masonry for heating purposes, and a conservatory erected on a brick foundation and attached to a dwelling house cannot be removed. A tenant who is not a gardener by trade cannot move a border of box planted during

his tenancy without the permission of the landlord.

In the interests of trade a tenant has a much more extensive power to remove fixtures, when they are used for trade purposes, than where the fixtures are for ornament or convenience. But even then the tenant has not the right to remove everything which he has set up. Much will depend upon the permanency of the erection, and upon the following three points: (*a*) was the article of a chattel nature before it was put up, (*b*) is it still of a chattel nature, although affixed to the freehold? and (*c*) can it be easily removed without any injury being done to itself or to the premises? If these can be answered in the affirmative the tenant will have a right to remove, if not, the chattel will go to the landlord. The following fixtures have been allowed to be removed by a tenant: a soap-boiler's vats, fire-engines at a colliery, saltpans fixed over furnaces in a brick frame, nursery trees, greenhouses and hothouses belonging to a market gardener, a hydraulic press fixed in bricks and mortar, and a fixed steam-engine and boilers. The exception to the general rule of law in favour of trade fixtures has been thus judicially expressed: "An exception has long been established in favour of a tenant erecting fixtures for the purposes of trade, allowing him the privilege of removing them during the continuance of the term. When he brings any chattel to be used in his trade, and annexes it to the ground, it becomes a part of the freehold, but with a power as between himself and his landlord of bringing it back to the state of a chattel again by severing it from the soil."

The rights of agricultural tenants are wider than those of ordinary tenants. By the 34th section of the Agricultural Holdings Act, 1883, it is enacted:—

"Where after the commencement of this Act, a tenant affixes to his holding any engine, machinery, fencing, or other fixture, or erects any building for which he is not under this Act, or otherwise, entitled to compensation, and which is not so affixed or erected in pursuance of some obligation in that behalf, or instead of some fixture or building belonging to the landlord, then such fixture or building shall be the property of, and be removeable by the tenant, before or within a reasonable time of the termination of the tenancy. Provided as follows:—

"(1) Before the removal of any fixture or building the tenant shall pay all rent owing by him, and shall perform or satisfy all other of his obligations to the landlord in respect to the holding;

"(2) In the removal of any fixture or building the tenant shall not do any avoidable damage to any other building or other part of the holding;

"(3) Immediately after the removal of any fixture or building the tenant shall make good all damage occasioned to any other building, or other part of the holding, by the removal;

"(4) The tenant shall not remove any fixture or building without giving one month's previous notice in writing to the landlord of the intention of the tenant to remove it;

"(5) At any time before the expiration of the notice of removal the landlord, by notice in writing given by him to the tenant, may elect to purchase any fixture or building comprised in the notice of removal; and any fixture or building thus elected to be purchased shall be left by the tenant, and shall become the property of the landlord, who shall pay the tenant the fair value thereof to an incoming tenant of the holding; and any difference as to the value shall be settled by a reference under the Act, as in case of compensation (but without appeal)."

Similar rights are given to allotment tenants under the Allotment Act, 1887, and the above section applies to market gardens, under the Market Gardeners' Compensation Act, 1895.

Where the tenant has the right to remove fixtures, he must take care to do so during the continuance of the tenancy, even though the lease is determined by forfeiture and not by efluxion of time. Otherwise it is a presumption of law that the tenant has given them to the landlord. And if a tenant holds over wrongfully after the termination of his tenancy he cannot then remove his fixture. The rule is construed very strictly. In one case it was held to apply even though the fixtures remained on the premises by the parol consent of the landlord. Such a consent might give the tenant a right of action for the value of the fixtures against the landlord if permission to remove was subsequently refused, but it would give no right against the mortgagees of the landlord who were no parties to the permission granted if they were to refuse leave to remove.

An incoming tenant generally agrees

to take the fixtures of an outgoing tenant at a valuation. It is generally desirable that the landlord should be made a party to the agreement; otherwise he might set up a claim on the ground that the outgoing tenant had forfeited any right to them by not removing them, and the incoming tenant could not, then, remove them at the end of his term.

On the sale of a freehold estate the fixtures pass from the vendor to the vendee, unless there is an express agreement to the contrary.

A contract for the sale of fixtures need not be evidenced by writing, since fixtures do not fall within the Statute of Frauds as being an interest in land.

If a landlord prevents a tenant from removing fixtures which belong to the tenant at the end of the tenancy, there is a right of action to recover the value of the fixtures. On the other hand if the tenant removes fixtures to which he is not entitled, the landlord has a right of action for waste, that is, damage to his property, or, if there has been any agreement as to the fixtures, for breach of covenant. Where the fixtures have been actually severed and disposed of, an action may be maintained for the value of the same.

FLASH POINT. (Fr. *Point d'enflammation*, Ger. *Entflammungspunkt*, Sp. *Grado de inflamación.*)

The temperature registered by the thermometer at which oil gives off explosive vapour. When oil is said to have a flash point of 80° or 100°, it is meant that oil heated to that degree becomes inflammable by reason of the vapour which it then give off.

FLOATING CAPITAL. (Fr. *Capital circulant*, *fonds de roulement*, Ger. *Betriebskapital*, Sp. *Capital flotante.*)

That portion of the wealth of a banker or trader which is employed in such a way that by parting with it the banker or trader replaces the same with a profit by a single operation. It is most generally applied to that sum of money which is actually at command for the carrying on of any business. In this sense it includes that portion of the capital which is not permanently invested, but which is only temporarily employed for profit in marketable securities.

FLOATING POLICY. (Fr. *Police d'assurance flottante*, Ger. *offene Police*, Sp. *Póliza flotante.*)

A policy of insurance for a certain amount, insuring goods whith are not all in one place, but spread over a certain district or area, so that the goods, wherever they may be deposited, are covered, either wholly or in part, according as their aggregate value may happen to be either under or above the sum insured.

FLORIN. (Fr. *Florin*, Ger. *Gulden*, Sp. *Florin.*)

The name now applicable to a two-shilling piece in England. A coin of Austria and Germany is also called a florin, or gulden; but it is not of the standard of the English coin of the same name, as its value varies from one and eightpence to two shillings.

FLOTSAM. (Fr. *Épave flottante*, Ger. *Strandgut*, Sp. *Géneros flotantes.*)

Goods lost by shipwreck and found floating on the sea.

FLUCTUATION. (Fr. *Fluctuation*, Ger. *Schwankung*, Sp. *Fluctuación.*)

A rise or fall in the price of anything.

FOLIO. (Fr. *Folio*, Ger. *Folioformat*, Sp. *Folio.*)

A sheet of paper folded once only so as to make two leaves. In book-keeping the word is used strictly to denote the two opposite pages of an account book, numbered as one, but it now commonly means the same as a page. In law-writing a folio indicates seventy-two words.

FOOLSCAP. (Fr. *Tellière*, Ger. *Kanzleiformat*, Sp. *Papel de barba*, *Papel rajado.*)

A sheet of paper, 17 ins. by 13½ ins., so called from having formerly borne the water-mark of a fool's cap and bells, which is said to have been substituted by Cromwell for the Royal arms.

FOOT. (Fr. *Pied*, Ger. *Fuss*, Sp. *Pie.*)

In linear measurement the term foot is applied to a unit of measurement in most countries of the world, which differs considerably in length. It was evidently taken originally from the length of the human foot, as other measures of length were taken from other parts of the body. The English foot is 12 ins. long, or the third part of a yard. The French and the Rhenish foot (in common use in Germany) are slightly longer than the English foot, with which the Russian foot is identical. A metre is equal in length to 3.2818 English feet.

FORCE MAJEURE. (Fr. *Force majeure*, Ger. *höhere Macht*, Sp. *Fuerza mayor.*)

Circumstances or events which no human precaution could have averted, or which no fraudulent intention could have produced; and those dangers and accidents which are beyond human

power to control or oppose.

FORECLOSE. (Fr. *Forclore*, Ger. *Kündigen*, Sp. *Escluir.*)

The taking actual possession of an estate or other thing mortgaged with a view of securing repayment of the loan.

In equity it was always considered that a thing mortgaged was nothing more than a security for the money advanced. "Once a mortgage, always a mortgage." A mortgagee, therefore, was never allowed to take an estate on the failure of the mortgagor to pay at the stipulated time. Nevertheless payment must be made within a reasonable time, and a mortgagee is entitled to bring what is called a foreclosure action to recover the money lent. A date is then fixed by the court upon which the money and the interest must be paid, and, failing this, the mortgagee is then permitted to take possession of the estate, and the mortgagor has no further right to redeem at any time.

FORECLOSURE. (Fr. *Forclusion*, Ger. *Subhastation*, Sp. *Subastación.*)

The act of foreclosing.

FOREDATE. (Fr. *Antidater*, Ger. *vordatieren*, Sp. *Antedatar.*)

The dating of a document before its proper time.

FOREIGN BILL OF EXCHANGE. (Fr. *Lettre de change sur l'étranger*, Ger. *auswärtiger Wechsel*, Sp. *Letra de cambio sobre ed extranjero.*)

A bill which is not drawn and payable within the British Islands, or not drawn within the British Islands upon some person resident therein. (See *Bill of Exchange.*)

The Act of 1882 provides that when a bill drawn in one country is negotiated, accepted or payable in another, the rights, duties, and liabilities of the parties thereto are determined as follows:—

(1) The validity of a bill as regards requisites in form is determined by the law of the place of issue, and the validity as regards requisites in form of the supervening contracts, such as acceptance, or indorsement, or acceptance *suprà* protest, is determined by the law of the place where such contract was made. But where a bill is issued out of the United Kingdom, it is not invalid by reason only that it is not stamped in accordance with the law of the place of issue; and where such a bill conforms, as regards requisites in form, to the law of the United Kingdom, it may, for the purpose of enforcing payment thereof, be treated as valid as between all persons who negotiate, hold, or become parties to it in the United Kingdom.

(2) The interpretation of the drawing, indorsement, acceptance, or acceptance *suprà* protest of a bill is determined by the law of the place where such contract is made; but where an inland bill is indorsed in a foreign country the indorsement shall, as regards the payer, be interpreted according to the law of the United Kingdom.

(3) The duties of the holder with respect to presentment for acceptance or payment, and the necessity for a sufficiency of a protest or notice of dishonour, or otherwise, are determined by the law of the place where the act is done or the bill is dishonoured.

(4) Where a bill is drawn out of, but payable in the United Kingdom, and the sum payable is not expressed in the currency of the United Kingdom, the amount shall, in the absence of some express stipulation, be calculated according to the rate of exchange for sight drafts at the place of payment on the day the bill is payable.

(5) Where a bill is drawn in one country and is payable in another, the due date thereof is determined according to the law of the place where it is payable.

What particular rules are applicable must be decided by the law of the country in question. For example, French law does not allow days of grace, and Spanish law does not require any notice of dishonour for non-acceptance.

FOREIGN MONEY ORDERS. (Fr. *Mandats sur l'étranger*, Ger. *ausländische Postanweisungen*, Sp. *Giro mutuo.*)

Money orders issued by the Post Office for the transmission of sums abroad. (See *Money Orders.*)

FOREIGN TELEGRAMS. (Fr. *Télégrammes extérieurs*, Ger. *ausländische Telegramme*, Sp. *Telegramas para el extranjero.*)

Telegrams sent or received from all parts beyond the seas.

FOREIGN TRADE. (Fr. *Commerce étranger*, Ger. *Aussenhandel*, Sp. *Comercio con el extranjero.*)

The commerce carried on between traders in different countries.

FORGERY. (Fr. *Falsification*, Ger. *Urkundenfälschung*, Sp. *Falsificación.*)

The fraudulent making or alteration of any document with the intention of prejudicing another person.

Forgery has been made a felony by various statutes, but where no statute

has been passed with special reference to the particular forgery the offence is a misdemeanour at common law, and any person found guilty of the same may be criminally punished. For example, a forged testimonial as to character is a common law forgery.

Generally speaking, a forged document is valueless, and no person can obtain any rights through the same. A banker who pays a bill bearing a forged acceptance or indorsement must bear the loss, but he is not responsible for paying a cheque which bears a forged indorsement, so long as he acts in the ordinary course of business. He may rightly debit his customer with the amount of the cheque.

Difficulties sometimes occur in the case of forged transfers of shares in a joint-stock company. The forgery cannot destroy the title of the true holder. In any case his name must be restored to the register. But the company itself may be liable to a transferee if it has issued a certificate on the faith of the forged transfer, and the transferee has purchased on the faith of the certificate. The certificate acts as an estoppel. But if the transferee has acted solely upon the forged transfer and not upon any certificate the case is different. In order to protect themselves from liability, many companies refuse to certify a transfer of shares until they have communicated with the holder.

By the Forged Transfer Acts, 1891 and 1892, joint-stock companies, local authorities, incorporated friendly societies, and building or other provident societies, are empowered to create a fund for the compensation of transferees under forged transfers, whether they are legally liable or not to indemnify such transferees for losses sustained.

FORM OF APPLICATION. (Fr. *Imprimé*, Ger. *Bestellzettel*, Sp. *Forma de aplicación.*)

When a joint-stock company is being brought out a form is issued, known by this name, so that parties may fill in the particulars as to the number of shares or the amount of stock they desire to hold, and state the amount they have paid as a preliminary to the company's bankers as a proof of *bona fides*. The form, when filled in, is taken to the bank, or other place denoted, and the counterpart, which is filled in by the bank cashier, forms the banker's receipt for the money paid.

FOR MONEY. (Fr. *Au comptant*, Ger. *Kassageschäfte*, Sp. *Al contado.*)

This, on the Stock Exchange, means dealings which are paid for in cash at the time they are made.

FOR THE ACCOUNT. (Fr. *À terme*, Ger. *Zeitgeschäfte*, Sp. *A plazos.*)

This, on the Stock Exchange, means dealings which are to be paid for on the next settling day.

FORTIFYING. (Fr. *Vinage, coupage*, Ger. *Mischung*, Sp. *Coupage.*)

The mixing together of various qualities or growths of wines or spirits for the purpose of improving or strengthening the whole.

FORWARDING. (Fr. *Expédition*, Ger. *Beförderung, Spedition*, Sp. *Expedición, envío.*)

The act of sending forward merchandise for others.

FOUL BILL. (Fr. *Patente brute*, Ger. *unjesteckt*, Sp. *Patente bruta.*)

A certificate or instrument granted by a consul, or other competent authority, to the master of a ship at the time of clearing a port, declaring that the port is infected with disease. If a ship brings a foul bill the authorities may order a period of quarantine, the length of time depending upon the circumstances of the case.

FORWARDING AGENTS. (Fr. *Expéditeurs*, Ger. *Spediteure*, Sp. *Agentes expedicionarios.*)

The persons who undertake the collection, forwarding, and delivery of goods.

FOUNDERS' SHARES. (Fr. *Actions des fondateurs*, Ger. *Gründeraktien*, Sp. *Acciones de fundadores.*)

The shares granted to the originator of a joint-stock company as a reward for services rendered in floating the concern, or to other persons, such as promoters and underwriters, who have interested themselves in procuring the necessary capital.

These shares are generally few in number, though they may become of great value if the business turns out a success. The rights attached to the shares vary considerably, and are generally provided for in the Articles or Memorandum of Association. The prospectus of the company must state the number of such shares, unless all the other necessary preliminaries having been observed, the company has become entitled to commence business a year before the issue of the prospectus.

Founders' shares are becoming less common than they were some years ago.

FRANCE. *Position.* — France ranks second among the nations in the value of her trade with the United Kingdom

the United States holding the first place. The position of France is especially favourable for commerce. Along its northern coast lies the English Channel; on the west is the Atlantic Ocean, and more than half the southern boundary is on the Mediterranean Sea.

Area and Population.—The area of France, 204,092 square miles, is about four times that of England exclusive of Wales, and its population is 38,641,333

Configuration.—The northern and western parts of France are portions of the great plain which extends quite across Europe. The southern and eastern parts of the country are mountainous. In these highlands rises the River Seine, which flows north-west into the English Channel. The Loire, which flows west into the Bay of Biscay, rises in the Cevennes. The Rhone, which flows southward into the Mediterranean Sea, rises in the Alps. The Garonne flows from the Pyrenees north-west into the Bay of Biscay. France has nearly one hundred rivers which are more or less navigable, and in connection with them is a very complete system of canals.

Canals.—The Rhone is connected by the Canal d'Alsace with the Rhine, in Germany, by the Canal du Centre with the Loire, and by the Canal du Burgogne with the Seine. The Canal du Midi joins the River Garonne with the Mediterranean Sea, thus saving the voyage of 2,000 miles round the Iberian Peninsula. In the northern part of the republic is a network of canals which connects the main industrial centres, and affords direct communication with the canals and rivers of Germany, Belgium, and the Netherlands.

Railways.—The main lines which radiate from Paris are shown in the table below.

Railway.	*From Paris to*
1. Northern Railway (Chemin de Fer du Nord).	Calais, Lille, Ghent, Valenciennes, Brussels.
2. Western Railway (Chemin de Fer de l'Ouest).	Brest, St. Malo, Cherbourg, Havre, Dieppe.
3. Orleans Railway (Chemin de Fer d'Orleans).	Bordeaux, Orleans, Toulouse.
4. Southern Railway (Chemin de Fer du Midi).	This line connects Bordeaux with Cette.
5. Eastern Railway (Chemin de Fer de l'Est).	Strassburg, through Epernay, Chalons, and Nancy.
6. Paris-Lyons-Mediterranean (Chemin de Fer de Paris-Lyon-Mediterranean).	Dijon, Macon, Lyons, Marseilles, Toulon, Nice, Genoa, Cette, Bordeaux.

Climate and Soil.—The climate of France is generally temperate. In the northern districts it is not unlike that of the United Kingdom. On the Mediterranean coast much injury is sometimes done by the hot winds which blow from the deserts of Africa. The soil of France is very fertile, and three-fourths of the area is fit for cultivation.

Productions.—The principal crops in the northern part of France are wheat, oats, and barley, among cereals; potatoes and sugar beet. Grapes and flax are grown nearly all over the country; but, in the south, olives, tobacco, semi-tropical fruits, and mulberry-trees used for silk-worm culture receive the greatest attention. In wine-making France stands first among nations, and wine is the most valuable export. Owing to diseases among the vines the produce has fallen off, and France now imports wine from Spain and Italy.

The domestic animals—horses, mules, cattle, swine, and sheep—are raised in large numbers; but the animals, as a whole, are much inferior in quality to those of England. In the north oxen are employed in field labour, while in the south donkeys and mules are much used. The rearing of cattle, sheep, and goats receives considerable attention; and among the lesser industries are bee-culture and poultry keeping.

The breeding of horses is not carried on so extensively as in some other European countries. The percheron of Normandy, however, a famous breed, is a draught horse of great strength and endurance.

Fruit and forest trees cover about one-fifth of the area. Among the fruits grown are olives, apples, pears, citrons, figs, and plums. The principal nuts are almonds, chestnuts, and walnuts. The forests consist chiefly of oak, birch, pine, beech, elm, and chestnut, the largest forest areas being in the north-east, south-west, and south-east. In the south the cork-oak is carefully cultivated, and it must not be forgotten that wood is the chief domestic fuel of France.

Compared with other European countries France is not rich in minerals. The products of the coal and iron mines on the southern slopes of the Ardennes,

in the north-east of France, are not sufficient for the factory needs of the country, and large quantities are imported. Lead, the only other metal mined to any extent, is found on the plateau in the centre of the country.

Industries.—Although more than half the people of France are dependent upon the soil for a living, the manufactures of the Republic are of greater commercial value than all the other products. The most notable of the manufactures of France are silk and wine, of which the annual produce and export are very great. Lyons, on the Rhone, is the centre of the silk industry. The best known French wines and spirits are set out in the table below.

Wine, etc.	*Locality.*
Claret	of Medoc and St. Estephe, from the vineyards of the Gironde round Bordeaux.
,,	of St. Emilion, in the ravine of the River Dordogne.
Burgundy	both red and white are manufactured in the valley of the Saone, where Dijon, Macon, and Beaune are well-known centres.
Champagne	is made on the banks of the Maine, a tributary of the Seine, where Epernay, Reims, and Sillery are the chief markets.
Brandy	is largely distilled in the valley of the Charente to the north of Bordeaux. Cognac is the centre of the industry.

France has also numerous and important manufactures of linen, at Dunkirk, Cambrai, and other places; of woollen goods, at Lille, Roubaix, Rouen, and Sedan; of cotton fabrics, at Rouen, Lille, Roubaix, and St. Quentin; of glass and porcelain, beet sugar, watches and clocks, and of many other kinds of goods.

The fisheries are of great value, and give employment to 150,000 men. The lakes and rivers generally are well stocked. On the coast oyster culture has become an industry of much value, and sardines are taken in vast numbers on the coast of the Bay of Biscay. Deep water fishing is carried on to a greater extent than by any other continental nation, French fishing vessels being found on the Iceland, Newfoundland, and other banks.

Commerce.—The foreign commerce of France is very great, the chief exports being wines, silks, and woollen goods. The trade is mainly with the United Kingdom, Belgium, Germany, Italy Spain, the United States, and Switzerland

The value of French exports to the United Kingdom is about 54 millions; the chief articles in order of value are:—

	Millions £
Textile Fabrics	15½
Sugar	5¼
Food	4½
Wines and Spirits	4¼
Leather and leather goods	2¾
Wood and wooden wares	2¼
Metal Goods	1½
Fancy goods	½

The imports from the United Kingdom, valued at about 20 millions, chiefly are:—

	Millions £
Textile fabrics	8
Coal	7
Metal Goods	4
Chemicals	¾

Cities and Towns.—Paris, the capital of France, is, next to London and New York, the largest and richest city in the world, its population being about half that of London. It is situated on the river Seine, about 100 miles from its mouth, and is the social and fashionable centre of Europe. It is noted for the number and magnificence of its public buildings, and for the artistic beauty of its manufactures of gold, silver, porcelain, pottery, tapestry, and dress fabrics of every description. The canal and railway systems of France converge here, and nearly the whole country pays tribute to the city, as it is the commercial and political centre of the Republic. The Bourse, or Stock Exchange, of Paris is excelled by the Exchanges of London, New York, and Berlin only.

Lyons, the second city of France in point of size, and the first in manufactures, situated at the confluence of the Saone with the Rhone, at a distance of 150 miles from the Mediterranean, contains about the same number of inhabitants as Birmingham. It is the centre of the greatest silk-producing district in the world. In manufactures and trade in satins, velvets, and ribbons it stands without a rival, as the annual value of the trade is said to be 16 millions sterling. Although great quantities of raw silk are produced in the Rhone valley, yet, as the supply is not equal to the demand, Italy and China are depended upon to supply the deficit.

Marseilles is the third city of France in population, and the first port for foreign commerce. It is situated on the Mediterranean coast, and has a popu-

lation rather less than that of Lyons. It has an immense shipping trade, chiefly with ports on the Mediterranean sea-board, and by way of the Suez Canal with commercial centres in India, China and Japan. Marseilles has great iron ship yards and smelting works for reducing ores from Algeria. Marine engines, soap, sugar, and chemicals are manufactured here.

Bordeaux, the most important French port on the shores of the Bay of Biscay, is sixty miles from the mouth of the river Garonne. The population of this port is about half that of Manchester, and its export trade is chiefly in wines and brandy. The Gironde, as the district around Bordeaux is called, is famed for the production of red wines, and this port is the greatest wine market of France. Bordeaux is connected with the Mediterranean by the Canal du Midi, which joins the river Garonne to the port of Cette. Through this canal it supplies the southern districts with imports derived from the United Kingdom, the United States, and South America. Bordeaux does some ship-building, and manufactures both woollen and cotton goods.

Lille, or Lisle, near the Belgian frontier of France, a city having a population about equal to that of Hull, is one of the greatest linen manufacturing cities of Europe, and fine goods, all known in commerce by the name of the place, lace, gloves, and hosiery, are important manufactures here.

Toulouse, an inland city in the south of France, rather more populous than Leicester, situated on the river Garonne, has manufactures of woollens, silks, leather, tobacco, and brandy. There are also cannon factories here.

St. Etienne, a town slightly larger than Oldham, is noted for manufactures of hardware, machinery, weapons, and silk. It is situated in the Rhone valley.

Nantes, a seaport with about the same population as Blackburn, stands at a distance of thirty miles from the mouth of the Loire. It has a considerable export and import trade; it also manufactures cotton, woollen, and linen fabrics, as well as wares of copper, lead, and iron.

Havre, on the English Channel, at the mouth of the Seine, is the port of Paris, and, next to Marseilles, is the greatest commercial seaport of France, containing about as many people as Brighton. Most of the export and import trade between France and the United States passes through Havre. This city imports raw materials and food for the population of the manufacturing districts in the north of France, and exports manufactured goods. Its numerous industries include sugar-refining and also manufactures of cotton, tobacco, and iron. It is one of the greatest ship-building ports outside of the United Kingdom.

Roubaix, a place on the Belgian border, with a population equal to that of Brighton, manufactures woollen goods.

Rouen, on the river Seine, about seventy miles inland, one of the chief manufacturing cities of France, has a population slightly greater than that of Preston in Lancashire. It is the centre of the cotton industry of the north of France; but besides cotton goods in great variety, the manufactures of Rouen include fabrics of silk, wool, and flax, and factories where steel goods, machinery, and chemicals are turned out. The Seine is navigable to Rouen, making the city an important ship-building centre.

Reims, 100 miles to the north-east of Paris, on the railway line from that city to Strassburg, is the chief depot and market for the famous champagne wines which are made in the districts around. It has also manufactures of silk and wool, and a population slightly less than that of Preston.

Brest, a port in the extreme north-west, is a strongly fortified city, and one of the principal naval stations of France. Ship-building for the French navy is the chief industry. Brest is connected with America by a submarine cable.

Toulon, on the Mediterranean sea-board, is the great naval arsenal of France.

Calais and Boulogne, about nineteen miles from each other, on the coast of the English Channel, are noted ports for passengers to and from the United Kingdom. Steamers ply daily between Folkestone and Boulogne, and between Dover and Calais in connection with the South-Eastern and the London, Chatham, and Dover Railways of England. The sea passage between Dover and Calais, a distance of twenty-two miles, occupies eighty minutes; that between Folkestone and Boulogne, twenty-nine miles, occupies ninety minutes. The other routes between England and France are those of the London, Brighton, and South Coast Railway from Newhaven

to Dieppe; the London and South-Western Railway from Southampton to Havre or St. Malo.

The foreign dependencies of France contribute little to the business life of the world. They are:—

Algeria.—Algeria, in North Africa, on the Mediterranean coast, is slightly larger than the United Kingdom, and has a population of nearly 4½ millions; rather more than three quarters of a million are Europeans, and the rest are of the native African races. The country is rich in mines of iron, copper, and lead, but these have not been very much worked. Agriculture and sheep-raising are the chief industries. The exports and imports are mostly to and from France.

Tunis.—Tunis has an area equal to about nine-tenths that of England, excluding Wales, with a population of a million and a half, only 25,000 of whom are Europeans. It is a protectorate of France, though the local laws are administered by Turks. The exports are chiefly olives and cereals, which are sent to Italy. The capital, Tunis, the largest city in the Barbary States, has a very mixed population, about equal to that of Leicester. This city has manufactures of silk and woollen goods.

Madagascar.—Madagascar, an island in the Indian Ocean, to the south-east of Africa, has a population of between four and five millions, spread over an area nearly double that of Great Britain and Ireland. It exports cattle, hides, and rubber. There are deposits of iron in the island, but they are poorly worked. Rice, cotton, spices, and sugar are among the other products. The chief seaport is Tamatave.

Réunion. Réunion, a small island, 400 miles to the east of Madagascar, produces and exports sugar, cocoa, coffee, and spices.

Anam or *Cochin China.*—Cochin China or Anam, an extensive region of the Indo-Chinese Peninsula or south-eastern Asia, consists of—

Possessions.	*Area. sq. miles.*	*Population.*
Cochin China .	23,000	2,000,000
Cambodia . .	39,000	1,500,000
Anam . . .	100,000	5,000,000
Tonquin . .	35,000	10,000,000
Total .	197,000	18,500,000

The leading product of these states is rice, and the trade is chiefly with China; cotton and pepper are also exported. Saigon, the colonial capital, is a place of much commercial importance.

Senegambia, Guinea, and the Sahara.—Senegambia and Guinea are extensive regions on the west coast of Africa, the boundaries of which are not yet determined, and the French claim a protectorate over the Sahara. The products are indigo, pepper, sugar, palm oil, and tobacco.

New Caledonia.—New Caledonia, in the South Pacific Ocean, is a French penal colony, exporting silver, lead, nickel, and preserved meats to France. The neighbouring Loyalty and Marquesas Islands are of no importance commercially.

Martinique and Guadaloupe.—Martinique and Guadaloupe, two islands in the Lesser Antilles, have a considerable export and import trade with France. Their products are sugar, cocoa, coffee, spices, tobacco, cotton, and rice.

French Guiana.—French Guiana, on the north coast of South America, produces sugar, coffee, cocoa, and spices, which are exported to France. The town of Cayenne is the capital of the colony.

In addition to the commercial *attaché* at Paris, Great Britain is represented by consuls of different grades at Ajaccio, Bordeaux, Brest, Calais, Cherbourg, Dunkirk, Havre, La Rochelle, Marseilles, Nice, and Rouen. France has consular representatives at Cardiff, Dublin, Edinburgh, Glasgow, Liverpool, London, Manchester, Newcastle, Southampton, and many smaller towns.

Mails are despatched to France from London three times daily by Dover, twice by Folkestone, and twice by Newhaven. Paris is 267 miles distant from London. The time of transit is eight hours to Paris, seventeen hours to Lyons and twenty-three hours to Marseilles. Telegrams cost twopence per word.

FRANC. (Fr. *Franc*, Ger. *Frank*, Sp. *Franco.*)

A French silver coin of the circulating value of about 9½*d.* sterling. £1 sterling is equivalent to 25.2 francs. A franc is also equal in value to 81 German pfennig and one Spanish peseta.

FRAUD. (Fr. *Fraude, circonvention*, Ger. *Betrug*, Sp. *Fraude, artificio.*)

A false representation as to facts, made with a knowledge of its falsehood, or recklessly without any belief in its truth, and with the intention that such representation should be acted upon by the party defrauded, and actually in-

ducing him to act upon it.

Fraud is always a ground for the avoidance of a contract. But it does not, of itself, render the contract void. The person defrauded may either repudiate it or adopt it, and in the latter case sue for any damages which have been sustained. But a person who intends to take action must not be guilty of undue delay, otherwise he will be held to have waived his rights.

Fraudulent statements made in writing as to a person's business stability, upon which another acts to his own detriment, may give rise to an action for deceit. Also directors are liable for fraudulent statements made in a prospectus, unless they are able to claim the protection of the Directors' Liability Act, 1890. As to the liability of a principal for the fraud of his agent, see *Agency*.

Gifts and conveyances of property, whether of lands or chattels, are fraudulent if they are made for the purpose of delaying or defrauding creditors, and are therefore null and void against the creditors. But this does not extend to conveyances that are made for valuable consideration and *bonâ fide* to persons who have no notice of the fraud. Nevertheless, there are circumstances in which fraud will be presumed from the very nature of the transaction.

By the Bankruptcy Act, 1883, all voluntary conveyances, *i.e.*, those made without consideration, are liable to be set aside as fraudulent if made within ten years before the date of the bankruptcy. Those made within two years are absolutely void, and those made within ten years are also void unless it is shown that the interest of the settlor passed entirely to the trustee of the settlement on the execution of the same, and that the settlor was able to pay the whole of his debts at the date of the settlement without the aid of any of the property comprised in it.

To prefer one or more creditors to others is a fraud upon those others, and a deed purporting to carry out such an arrangement may be set aside. Fraudulent preference is now, however, an act of bankruptcy upon which any person aggrieved may present a petition.

FRAUDS, STATUTE OF. This statute was passed in 1678. Its professed object was the requirement that certain transactions should be evidenced by writing in order to prevent fraud and perjury.

The effect of this statute and the Act to amend the Law of Real Property, passed in 1845, so far as conveyances and leases are concerned, is that leases for more than three years, and those for a less period when the rent is not equal to two-thirds of the annual value of the land, must be by deed, and so must all assignments, grants, and surrenders of leases. A deed is necessary for the assignment of a lease, even though it is of such a kind that it could be made by parol. A lease for three years or less may be made by word of mouth, but an agreement for a lease for the same period is not enforceable unless evidenced by writing, by reason of the fourth section of the Statute of Frauds. The lessee must get into possession. Leases required to be by deed, if evidenced by writing only, may be enforced as agreements for leases. There is an exception in the case of an equitable mortgage, where it frequently happens that no writing is used at all.

As to trusts, the Statute of Frauds provides that "all declarations or creations of trusts or confidences of any lands, tenements or hereditaments shall be manifested and proved by some writing signed by the party who is by law enabled to declare such trust, or by his last will in writing, or else they shall be utterly void and of none effect." Any trust as to personal chattels, however, may be created by parol, provided it is to take effect in the lifetime of the creator of the trust. But a transfer of any trust must be evidenced by writing.

The fourth section of the statute is as follows: "No action shall be brought whereby to charge any executor or administrator upon any special promise to answer damages out of his own estate; or whereby to charge the defendant upon any special promise to answer for the debt, default, or miscarriage of another person; or to charge any person upon any agreement made in consideration of marriage; or upon any contract or sale of lands, tenements, or hereditaments, or any interest in or concerning them; or upon any agreement that is not to be performed within the space of one year from the making thereof; unless the agreement upon which such contract shall be brought, or some memorandum or note thereof, shall be in writing, and signed by the party to be charged therewith, or some other party thereunto by him lawfully authorized."

Here it will be noticed that there are

five kinds of contract which must have some document in writing to prove their existence. The third of these, viz., an agreement made in consideration of marriage, does not mean a promise to marry. The fifth, viz., an agreement not to be performed within a year, refers to those contracts only which cannot, according to their provisions, be wholly performed within a year. The best example that can be given is the very common one of the engagement of a servant. If the engagement is to commence immediately and to continue for one year, there is no need for the contract to be evidenced by writing. But if the engagement is to commence next week and to continue for one year certain, there must be some memorandum or note to satisfy the statute, otherwise no action can be brought upon the contract. In an action for wrongful dismissal, which came before the courts in 1901, it was held that a plaintiff who had been engaged on September 4 for one year commencing on September 5 could not recover damages for breach of contract in the absence of some memorandum or note in writing, signed by the defendant. In a later case, in 1903, a Divisional Court laid down the rule that this construction of the Statute was too strict, and that no writing was necessary where the employment for a year was to commence on the day following that on which the agreement was made. This latter decision seems doubtful, and a prudent person will do well to take the former as being the more correct exposition of the law.

The memorandum or note in writing which is required to prove the existence of a contract need not be made at the time when the contract is entered into. It must, however, be in existence before any action can be brought upon the contract itself. No special form is required. It is "just such a memorandum as merchants in the hurry of business might be supposed to make." But it is necessary that the names of the parties should appear, that the subject-matter of the contract should be set forth, that the consideration for the promise should be stated (except in the case of a guarantee), and that the party to be charged, or his duly authorized agent, should sign the document. If the party to be charged writes out the memorandum or note himself, and his name appears in any part of it, that is a sufficient signature. A recital in a will has been held to be a memorandum or note sufficient to satisfy the statute; and in order to connect the parties, when the name of the one to be charged and his signature appeared in the document relied on, but the name of the other party was not there, the envelope in which the document was sent was allowed to be put in evidence to show who the other party was, and thus make the memorandum complete.

The memorandum of agreement, or any agreement made under hand only, and not otherwise specifically charged with duty, must be stamped with a sixpenny stamp. An adhesive stamp may be used, but it must be cancelled by the person first signing the agreement. Fourteen days after execution are allowed for the stamping of an agreement under hand, and such post-execution stamping should always be by an impressed stamp. The following agreements are exempted from stamp duty:—

(1) Where the subject matter is of less value than £5, or is incapable of pecuniary measurement.

(2) Where the agreement has reference to the hire of any labourer, artificer, manufacturer, or menial servant.

(3) Where the agreement is one relating to the sale of any goods, wares, or merchandise.

The 17th section of the Statute of Frauds, as amended by Lord Tenterden's Act, 1828, has been repealed and re-enacted by the fourth section of the Sale of Goods Act, 1893. (See *Sale.*)

The contracts, which are included in section four of the Statute of Frauds, are neither void nor voidable, because there is no evidence in writing of their existence. They are merely unenforceable by action. A defendant in an action at law must specially plead the section in his defence, otherwise he will not be heard as to any objection he might have raised against the action being brought on the ground of the want of statutory proof of the contract.

FREE ALONGSIDE SHIP. (F.A.S.). (Fr. *Franco quai*, Ger. *frei Längsseite*, Sp. *Libre al costado.*)

This is an indication that goods are sold, including free delivery, alongside the ship. The cost of taking such goods on board must be borne by the purchaser.

FREE OF ALL AVERAGE. (Fr. *Franc-avarie*, Ger. *frei von Havarie*, Sp. *Franco de averia.*)

This signifies that claims for general and particular average cannot be recovered under an insurance policy con-

taining this clause. Such a policy insures against total loss only.

FREE OF PARTICULAR AVERAGE. (F.P.A.). (Fr. *Franc-avarie particlle*, or *particulière*, Ger. *frei von Beschädigung*, Sp. *Libre de avaria particular.*)

When this clause is inserted in a marine policy of insurance, the underwriters only insure the goods concerned against damage or partial loss in case the ship, craft, or any conveyance, or the interest insured, is stranded, sunk, burned, on fire, or in collision. They are not responsible for goods rendered worthless by any ordinary perils of the sea. Goods so insured are said to be free of particular average.

FREE ON BOARD. (F.O.B.). (Fr. *Franco à bord*, Ger. *frei an Bord*, Sp. *Franco á bordo.*)

This signifies that the vendor of the goods puts them on board ship free of all charges to the purchaser.

FREE ON BOARD AND TRIMMED. (Fr. *Franco à bord et d'arrimage*, Ger. *frei an Bord und gestaut*, Sp. *Franco á bordo y estivado.*)

In the coal trade, sales of bunker coal are usually made "F.O.B. and Trimmed," which means that the coal shall be properly stowed after being put on board.

FREE OVERSIDE. (Fr. *Franco hors du navire*, Ger. *frei ab Schiff*, Sp. *Franco fuera del buque.*)

This term is used when goods are sold, and the responsibility of the seller ceases as soon as the goods leave the slings overside the ship, and the buyer must provide his own barge in which to receive them.

FREE PORT. (Fr. *Port franc*, Ger. *Freihafen*, Sp. *Puerto franco.*)

A port where no export or import duties are levied.

FREE TRADE. (Fr. *Libre commerce, Libre échange*, Ger. *Freihandel*, Sp. *Libre cambio.*)

Trade which is carried on without restriction or interference. It refers, more particularly, to the admission of goods into a country without the payment of any customs duties.

No country is absolutely free trading, for where the restrictions are the slightest, as in the United Kingdom, a large revenue is raised by means of duties levied upon what are generally considered articles of luxury. But it has been the deliberate policy of this country, for more than half a century, to admit raw goods for manufacture without the slightest restriction, and also food stuffs to meet the demands of the growing population.

The opponents of free trade are called protectionists, and they advocate the imposition of duties for the sake of fostering home duties. Another class of opponents are known as fair traders, who desire to establish a system of reciprocity, that is, to treat foreign countries on the same footing as they treat the importers of goods into their countries.

FREEHOLD PROPERTY. (Fr. *Propriété foncière libre*, Ger. *Freigut*, Sp. *Libre de carga.*)

An estate which is held direct from the Crown, and for which no services are due to any feudal lord. In theory there is no such thing as absolute ownership of land, and no person can hold more than an estate in the same, whether it is in fee simple, fee tail, or for life. Each of these is a freehold, though the term has become generally applicable, in everyday language, to estates which are held in fee simple, that is, to those which are, as nearly as land can be, the absolute property of the holder, and of which he can dispose to any person he chooses.

FREIGHT. (Fr. *Fret*, Ger. *Fracht*, Sp. *Flete.*)

The money paid for the carriage of goods by sea, or the price paid by a merchant for the use of a ship to transport goods. The amount is generally fixed by the charter-party or the bill of lading, but where there is no formal agreement it is regulated by the custom or usage of trade. In the absence of any stipulation to the contrary, freight is only payable on the delivery of the goods at the place of destination; but it is the general practice to provide otherwise by the bill of lading, and to make the freight payable in any event, and before the delivery of the cargo. A shipowner or a shipper of goods has therefore what is known as an insurable interest in the freight, and may protect himself against any loss by adding the amount of the freight to the value of the goods. A shipowner has a lien upon the goods for the freight dues, unless it is expressly or impliedly waived.

The word freight is often used as synonymous with cargo.

FREIGHT NOTE. (Fr. *Note de fret*, Ger. *Frachtliste*, Sp. *Nota de flete.*)

A statement sent out by a shipbroker to his customers, the shippers, showing the sums due for freight upon goods which have been shipped.

FREIGHT RELEASE. (Fr. *Délivrance contre paiement du fret*, Ger. *Freigabe*, Sp. *Autorización de descarga.*)

An official document given by shipbrokers, or an indorsement by them on a bill of lading, authorizing the officer in charge of the ship to give up possession of the goods, the freight upon them having been paid. A freight release is used when goods have been shipped "freight forward" from the other side.

FUNDED OR PERMANENT DEBT. (Fr. *Consolidés*, Ger. *fundierte Schuld*, Sp. *Consolidados.*)

The debt owing by the Government, which it is under no obligation to pay at any fixed time. It is represented by consols, and the debts due to the Banks of England and Ireland.

FUNDS. 1. (Fr. *Capital*, Ger. *Kapital*, Sp. *Capital.*)

Stock or capital.

2. (Fr. *Fonds*, Ger. *Fonds*, Sp. *Fondos.*)

Money, the income of which is set apart for some permanent object.

3. (Fr. *Fonds publics*, Ger. *Staatspapiere*, Sp. *Fondos publicos.*)

Debts due by a government and paying interest.

4. (Fr. *Fonds publics*, Ger. *Staatspapiere*, Sp. *Candal.*)

Government stock and public securities.

FURLONG. (Fr. *Furlong, huitième d'un mille*, 201 *mètres*, Ger. *Furlong*, Sp. *Furlong, estado, medida.*)

An English measure of length, the eighth part of a mile, or 220 yards.

FUTURES. (Fr. *Livraisons à terme*, Ger. *Termingeschäfte*, Sp. *Para llegar.*)

Goods for shipment at some future time. The term is generally used with reference to foreign produce to be shipped. Importers, merchants, and others speculate in futures of corn, cotton, hops, tallow, etc., in the same way that speculators on the Stock Exchange operate for the account.

GALLON. (Fr. *Gallon*, 4½ *litres*, Ger. *Gallone*, 4½ *Liter*, Sp. *Galon*, 4½ *litros.*)

A measure of capacity, for dry and liquid articles, which contains exactly four quarts. The imperial gallon contains 10 lbs. avoirdupois weight of distilled water, weighed in air at the temperature of 60° Fahrenheit, the barometer standing at 30 ins. The imperial gallon measures 277.274 cubic inches.

The American gallon is equal to 231 cubic inches, and the litre to 0.22 gallon.

GAMBIA (BRITISH). The Gambia is a settlement on the west coast of Africa, with an area of about seventy square miles, and a population of about 13,000, including about forty white men. The trade is chiefly in ground-nuts, which yield oil, and other native produce, and the capital is Bathurst.

A protectorate exists in the interior, and the area of the whole colony exceeds 3,500 square miles, the population being estimated at 250,000.

Mails are despatched to Bathurst twice a month. The time of transit is sixteen days. The cost of telegrams is 3*s.* 6*d.* per word.

GARBLING COIN. (Fr. *Trier des pièces de monnaie*, Ger. *Münzen aussuchen*, Sp. *Apartar moneda.*)

This term refers to the practice of money dealers in picking out new full-weighted coins from those which pass through their hands, for the purpose of exporting them, or melting them down, and retaining the lighter ones for circulation and the payment of trade debts at home. Garbling was formerly used to signify the process of sorting or picking out the worst of anything.

GARNISHEE. (Fr. *Tiers saisi*, Ger. *Sequester*, Sp. *Secuestro.*)

A person in whose hands property belonging to another person is attached by an order of a court of justice. The order warns the person upon whom it is served not to pay the debt which he owes to his creditor.

GARNISHEE ORDERS. (Fr. *Mandat de Saisie-arrêt*, Ger. *Sequestrationsbefehle*, Sp. *Órden de secuestro.*)

Notices sent to persons who owe judgment debtors money, or who hold goods belonging to them, warning them not to part with such money or goods. The object of these orders is to prevent the debtor applying such property to his own use instead of paying his creditors.

A garnishee order is obtained upon an application to the court or a judge, *ex parte*, by any person who has obtained a judgment or order for the recovery or payment of money, either before or after any oral examination of the debtor liable upon the judgment or order. The application must be supported by an affidavit on the part of the applicant or of his solicitor stating—

(*a*) That judgment has been recovered, or the order made;

(*b*) That the judgment is still unsatisfied;

(*c*) The amount of the judgment;

(*d*) The name and address of the third person (called the garnishee) from whom

money is due to the debtor;

(c) That the garnishee is within the jurisdiction.

After the order has been served upon the garnishee, he must, unless he is able to prove that there is no debt owing by him to the judgment debtor, pay the money into court, or execution will be levied against him for the amount. Payment made by or execution levied upon the garnishee under any proceedings of this kind is a valid discharge to him as against the debtor, liable under a judgment or order, to the amount paid or levied, even though the proceedings are subsequently set aside, or the judgment or order reversed.

A garnishee order is not valid against the trustee in bankruptcy of the judgment debtor, unless completed by receipt of the debt before the date of the receiving order and notice of the presentation of a bankruptcy petition by or against the debtor, or the commission of an available act of bankruptcy by him.

The following are not available for attachment:—

(1) Unliquidated damages due to a judgment debtor.

(2) Money due to a shareholder in the voluntary winding-up of a limited liability company.

(3) Purchase money payable upon the completion of a sale of real property.

(4) Wages due to a seaman, servant, labourer, or workman.

(5) Future income of a tenant for life.

(6) Salary accruing but not actually due.

(7) The pay or pension of an officer.

GARNISHMENT. (Fr. *Saisie-arrêt*, Ger. *Sequestration*, Sp. *Secuestracion.*)

The notice issued to a garnishee, warning him not to part with money or goods in his possession pending the settlement of a claim against the owner.

GAUGE (Noun). 1. (Fr. *Jauge.* Ger. *Messstab*, Sp. *Aforo.*)

A measuring rod for ascertaining the contents of casks.

2. (Fr. *Mesure*, Ger. *Mass.* Sp. *Medida.*)

A standard of measure.

GAUGE (Verb). (Fr. *Jauger*, *mésurer*, Ger. *aichen*, *messen*, Sp. *Aforar*, *medir.*)

To ascertain the contents of casks, that is, the number of gallons contained in them, by means of a gauge or gauging-rod.

GAUGER. (Fr. *Jaugeur*, Ger. *Ausmesser*, Sp. *Aforador.*)

The officer of Customs or Inland Revenue, whose business it is to ascertain the contents of casks.

GAZETTE. (Fr. *Gazette*, Ger. *offizielle Zeitung*, Sp. *Gaceta.*)

The official periodical published by the authority of the Government. In England it is published every Tuesday and Friday.

The production of a copy of the *Gazette* is generally accepted as evidence of any notice or order contained in it. Great care is taken as to the insertion of notices, and all those which do not come direct from Government offices must be duly authenticated. The signature of a solicitor is in most cases sufficient, but if this cannot be obtained any advertisement or notice must be accompanied by a declaration.

In addition to the official notices of the Government, all the principal steps taken in bankruptcy and winding-up proceedings must be advertised, as well as notices of changes of partnerships, and those calling upon creditors and others to come in and prove their claims in the administration of estates.

GENERAL ACCEPTANCE. (Fr. *Acceptation générale*, Ger. *reines Accept*, Sp. *Aceptación général.*)

This kind of acceptance, which is often called a clean acceptance, is one having merely a signature and the name of the place of payment.

GERMANY. *Position.*—The Empire of Germany, a country of Western Europe, lies between the Alps, on the south, and the Baltic Sea and German Ocean in the north. Russia lies to the east of it, while France and the Netherlands are to the west of it. The empire extends for 500 miles along the Baltic Sea, and for 200 miles along the North Sea. Its situation is central in Europe, eight nations, Denmark, Holland, Belgium, France, Switzerland, Italy, Austria-Hungary, and Russia adjoining its borders.

Area and Population.—The area of Germany, about 211,000 square miles, is more than four times that of England, exclusive of Wales, while the population in 1901 was 56,345,014.

Configuration.—Along the coast the country is generally low and flat, and, in some parts, marshy. Further inland the level rises, ending towards the south in a mountainous region. The southern part of Germany has mountains covered with dark forests and green pastures, peopled by wood-cutters, chamois-hunters, and herdsmen, while in its lofty villages are wood-carvers and toy-makers. This land is full of deep

gorges, and bordered by lofty, steep walls of rock. Through this rugged country the River Rhine flows in a broad, beautiful valley, covered with fruitful fields, orchards, and vineyards. The part of Germany to the north of the mountains is very level, and is covered with corn-fields and pastures; there are also fine fields of flax; and this plain extends in a north-easterly direction to the shores of the Baltic Sea.

Five large rivers traverse Germany in a generally northerly direction from the Alps to the seaboard. The Vistula and the Oder pour their waters into the Baltic Sea; the Elbe, the Weser, and the Rhine flow into the North Sea. All these five rivers are navigable, the Rhine and the Oder for long distances. The Danube has its head waters in the Black Forest; and though by far the most important river that rises in the Alps, it is too shallow to be navigable by any except flat-bottomed boats in its course across South Germany.

Canals.—Compared with the canal system of France or of Holland, that of Germany is not very extensive. The Rhine and the Danube are connected by Ludwig's Canal, 110 miles long, which joins the Regnitz, a tributary of the Main, with the Atmühl, a tributary of the Danube, thus forming a continuous waterway from the German Ocean to the Black Sea. Connections are also made with the Seine by the Rhine and Marne Canal, and with the Rhone by the Rhine and Rhone Canal, which has Mulhausen and other important manufacturing towns in its course. The Oder and the Elbe are connected by the Friedrich-Wilhelm's Canal, and the Oder is united to the Vistula by the Bromberger Canal.

The Great Baltic Ship Canal, across the south of the Jutland peninsula, was opened in the year 1895 to save the voyage round the north of Denmark. It is sixty miles in length, stretching from the Bay of Kiel to a point near the mouth of the Elbe. There are huge locks at both ends of the canal, as the mean water level of the North Sea is somewhat higher than that of the Baltic. The navigable width of this water way is 120 feet, and its depth is 28 feet. The time of passage through the canal is about thirteen hours, and the time saved to steam ships running between Kiel and Hamburg is twenty-four hours. Russia paid one-third and Germany two-thirds of the cost of this great work.

Railways.—Of the 25,000 miles of railway in Germany, all but a mere fraction is owned by the states or the empire, and no other country of continental Europe has so extensive a system of railways, the lines running in all directions from Frankfurt and Berlin.

Climate and Soil.—The climate of Germany is not very unlike that of the United Kingdom, but the summers are warmer in some parts, as grapes ripen in the open air. Although the soil of the country is nowhere very fertile, except in the valley of the Rhine, the agricultural areas are cultivated with great skill, and large crops are grown.

Productions.—The cereals of northern latitudes, wheat, rye, oats, and barley, are raised in all parts of Germany; and rye is the bread-grain of the poor. Potatoes are extensively grown in the eastern part of the empire, where they are used, not only for food, but in the distillation of spirits. Under the stimulating influence of a government bounty the sugar-beet is largely cultivated, and there are more than 300 factories engaged in the manufacture of beet-sugar. More hops are grown in Germany than in any other country in the world; while flax and tobacco are of great value. The culture of the vine and the manufacture of wine is almost wholly confined to southern and western Germany, where it is especially prosperous in the Rhine valley, from Mannheim to Coblentz, and in the basin of the Moselle. Rudesheim, Johannisburg, Hockheim, and Nierstein are very important wine-making centres in the Rhine valley. As is the case with the other densely populated countries of Europe, most of the agricultural products of Germany are consumed at home and not exported.

Horses, cattle, sheep, and swine are raised in vast numbers. Some sheep are sold abroad, although the demand for wool is not covered by home production. So, also, some sausages and hams are exported; but the imports of pork from America are of much greater value than the export of similar articles.

There are few minerals that are not found in Germany; the staple products of the mines being coal, iron, zinc, copper, lead, silver, and salt. Of silver, zinc, and copper, Germany yields more than any other European country.

Forests cover about a quarter of the whole empire, and the most careful attention is paid to forestry. The north-western portion is almost destitute of woods, but the mountainous regions of the south are, in the main, covered

with timber. In the south-west is the famous Black Forest, from which small rafts of timber are floated down the mountain streams of the Black Forest to the Rhine every year. They are then made up into larger ones. Layers of pine logs are placed one upon another, and over all is laid a rough deck. Upon this are erected cabins enough to accommodate, in some cases, as many as 400 persons, for the raftsmen usually take their families with them. Live stock is also put on board, and the whole constitutes a floating village destined for the Netherlands.

Manufactures.—The principal manufactures of the German Empire are textile fabrics, iron and steel goods, sugar, beer, wares of wood, glass, and porcelain. The textile fabrics include cottons, woollens, silks, and linens. Of late years manufactures have increased with great rapidity, until Germany now ranks third as an iron and steel producing country, coming after the two great English speaking nations, the United Kingdom and the United States. The chief seats of the iron manufacture are in West Prussia, where the population is densest, and where coal is largely mined. In particular, the town of Essen, in Rhenish Prussia, is famous for the great steel works of Krupp & Co. Here much of the artillery of Europe is made, besides steel rails, and hardware of every description. Although much of the manufacturing is carried on in the smaller towns large cities are numerous, and most of them are noted for some important industry.

Commerce.—The greater part of the foreign commerce of Germany is with the adjoining continental countries, the United Kingdom, and the United States.

A large share of the ocean commerce of the German Empire is carried on through the ports of the adjacent countries. Antwerp and Rotterdam, in particular, participate extensively in it. The chief ports of Germany itself are Hamburg and Bremen. One-third of the commerce of Germany is carried on with the adjoining nations. The merchant-marine has been encouraged by the Government, with the result that German ships sail every sea, and vessels formerly purchased in foreign countries are now built in domestic ports, especially in Hamburg and Bremen. By reason of the thorough technical and commercial education of their traders and agents, the Germans are becoming formidable competitors with the British for the carrying trade of the world. They already command an immense trade in South America, Africa, Eastern Asia, and the Pacific Islands. In addition to this, they have largely absorbed the carrying trade of the Mediterranean ports, which was formerly controlled by the British.

The exports to the United Kingdom reach the annual value of 31 millions sterling, comprising :—

	Millions £
Sugar	9½
Textile Fabrics	2¼
Food	2½
Metals and Metal Goods	2
Hides and Leather	1
Timber	1½
Glass and China	1
Chemicals and Manure	¾
Paper	½

The imports from the United Kingdom reach the annual value of 28 millions, chiefly consisting of :—

	Millions £
Textile Goods	10
Metal Goods	5
Coal	4½
Herrings	1½
Chemicals and Manure	1
Leather	½

Cities and Towns.—There are in Germany twenty-six cities and towns, each having more than 100,000 inhabitants.

Berlin, the capital of the empire, is about three times as large as Liverpool. It is situated upon the river Spree, a tributary of the Elbe, a broad, sluggish stream, which is here crossed by fifty bridges. Though but a small town two centuries ago it now ranks third among European cities in population, being exceeded by London and Paris only. With the exception of St. Petersburg Berlin is the only great capital in Europe that is of modern growth. The development of the city is due partly to its central position upon the plain of Northern Germany, but largely to the fact that it is the seat of the Prussian and Imperial Governments. There is excellent railway communication with all parts of Germany and the neighbouring countries. The local industries are of great variety, the more important being printing and publishing; the manufacture of steam engines, locomotives, railway carriages, sewing machines, brass-ware, and chemicals. The Stock Exchange of Berlin is the most important on the continent of Europe.

Hamburg, the most important com-

mercial city of continental Europe, is situated on the river Elbe, sixty miles from the sea. Its population is not so great as that of Glasgow. Altona, a town slightly larger than Leicester, joins it on the west, and the two have a wharf frontage of three miles on the river, besides numerous street canals. From Hamburg a great emigration of Germans and other Europeans, chiefly to the United States and other parts of America, has been going on for the last fifty years. There is regular steamship communication with the United States, the West Indies, and with both coasts of South America. The principal imports are coal and iron, from the United Kingdom; coffee, from Brazil; crude chemicals, from Chili and Peru; grain and petroleum, from the United States. The exports include all those of the German empire. The manufactures of Hamburg, although of much less consequence than the commerce, are of considerable importance. The great items are metal wares of every description, spirits, malt liquors, chemicals, paper, and leather goods.

Leipzig, a town containing rather more people than Leeds, is, next to Hamburg, the most important commercial city of Germany. Three great fairs are held here every year, attracting merchants, not only from all parts of Europe, but even from Asia and Northern Africa. The great staples thus sold are furs, leather, wool, woollen cloth, linen, and glass. Leipzig has a greater trade in books than any other city on the continent of Europe; and, accordingly, type-founding, printing, book-binding, and kindred businesses are the chief local industries. Musical and scientific instruments and chemicals are other important products.

Breslau, on the Oder, 200 miles south-east of Berlin, has a population rather less than that of Leeds. The manufactures include iron and steel products in great variety, zinc wares, woollen goods, and paper. The industrial fairs held here attract visitors from all parts of the empire.

Munich, German München, a city having a population somewhat less than that of Leeds, occupies a lofty site just to the north of the Bavarian Alps, and upon the banks of the rapid river Isar. It is one of the most famous art centres in the world, possessing in its museums splendid scientific and antiquarian collections, as well as several libraries. Commercially, the city is celebrated for its artistic handicrafts, especially glass-staining, bronze-founding, wood-carving, and for brewing Bavarian beer. There is a great trade in grain, beer, and art goods.

Dresden, a city slightly larger than Hull, is beautifully situated on the Elbe, a few miles from the Austrian frontier. This city contains many objects of interest; and the chief industries are brewing, straw plaiting, and manufacturing of scientific and musical instruments. The Dresden china and porcelain are made at the town of Meissen, nine miles distant.

Cologne, German Köln, a city with a rather larger population than Edinburgh, is the most important city on the German Rhine. A considerable share of the exports of the empire, wines and timber in particular, are sent from Cologne, down the river to Rotterdam. Among the many local products are cotton and woollen goods, sugar, soap, and eau-de-Cologne.

Magdeburg, on the river Elbe, 100 miles below Dresden, has a population slightly greater than that of Hull. Owing to its central situation and its excellent communications by river and rail, Magdeburg is a very important commercial city. The chief local productions are refined sugar, textile fabrics, and musical instruments.

Frankfurt-on-the-Main, a city having a population rather less than that of Newcastle-upon-Tyne, is situated on the Main, a tributary of the Rhine. It is a literary, artistic, scientific, and commercial centre. Ever since the Rothschild family came into prominence here Frankfurt has been one of the chief banking cities of Europe. At the fairs held every spring and autumn there is a great trade in leather, books, jewellery, and tapestry.

Hanover, on a tributary of the river Weser, eighty miles south-east of Bremen, is less than Newcastle-upon-Tyne. Cotton, liquors, and machinery are the principal productions, and there is a busy trade in leather and wool.

Königsberg, in the extreme north-east of Prussia, is a city as large as Portsmouth. It controls most of the Baltic trade of Germany, as its harbour is sheltered; in the winter, however, it is closed by ice. The principal items in the trade of this port are grain, petroleum, tea, flax, and fish.

Düsseldorf, a little larger than Leicester, is twenty-five miles from Cologne, down the Rhine. Coal and iron are mined in the neighbourhood, and the

iron manufacturing town of Essen is close by. Düsseldorf, however, is widely known for its manufactures of cotton goods.

Nuremberg, German Nürnberg, with a population equal to that of Leicester, is known the world over for its toys and fancy articles of metal, ivory and carved wood, called "Nuremberg wares." Faber's lead pencils, gold and silver wire and foil, and powdered bronze are made here.

Stuttgart, a city rather less in size than Leicester, is famous for its museums, libraries, and art galleries. It is an important book-publishing centre, and manufactures hosiery, musical instruments, pigments, and chemicals.

Chemnitz, fifty miles south-west of Dresden, has a population nearly as great as that of Leicester. In the manufacture of cotton goods, especially hosiery and calico, Chemnitz ranks first among German towns. Woollen cloth, steam engines and spinning machinery are other valuable products of this place.

Elberfeld, a place a little larger than Blackburn, is famous for its textile manufactures, especially of wool and silk, and for its extensive chemical and dye-works.

Bremen, on the river Weser, fifty miles from the sea, is a city about the same size as Elberfeld. In the days of sailing ships a numerous merchant fleet hailed from this port, but the river is too shallow to admit large modern steam-ships. Accordingly Bremerhaven, thirty miles nearer the sea, has been established as its port. The ocean trade of Bremen is principally with the United Kingdom, the East Indies, and the United States. The chief industries of the city are tobacco manufacturing, rice shelling, and sugar refining. It is connected, by railway, with the wharves of Bremerhaven. The harbour of this lower port is seldom obstructed by ice, and has an excellent system of docks, piers, and dry docks.

Strassburg, near the Rhine in the Reichsland, a city nearly as large as Bremen, does a considerable trade in leather, hops, and has also great brewing and chemical works.

Danzig, a town having about the same population as Blackburn, is an important military station, is strongly fortified, and was once a noted port, but the railway has diverted much of its commerce.

Stettin, on the Oder, the Baltic port of Berlin, having about the same population as Brighton, has ship-yards, breweries, distilleries, and potteries.

Barmen, adjoining Elberfeld, has about an equal population with Brighton: its special manufactures are ribbons and braids.

Crefeld, near Düsseldorf, is a little larger than Croydon. It is the chief seat of the silk and velvet manufactures of Germany.

Aix-la-Chapelle, German Aachen, a town about the same size as Croydon, stands near the meeting place of the Dutch, Belgian, and German boundaries. It is the chief woollen manufacturing town of the German Empire.

Foreign Dependencies.—Germany has no colonies. Some islands in the Western Pacific, and vast undeveloped areas in Africa, constitute the foreign possessions of the empire. Germany has recently purchased the Ladrone and Caroline Islands from Spain.

From the Marshall, Solomon, and Bismarck Islands, and from Papua, part of which is a dependency of the empire, Germany obtains cabinet woods, sandal wood, cocoa-nut fibre, copra, and tortoise-shell. The trade has, as yet, no very great value.

The African possessions of Germany consist of that part of the Guinea coast which is called Togoland; the country north and west of the Congo Free State, known as the Cameroons; the region to the north of the Orange River, called German West Africa, except Walfisch Bay, which is British; and the vast area to the east of the Congo Free State, known as German East Africa. Along the coasts of these four areas the Germans have trading stations, or "factories," at which they collect dye-woods, palm-oil, rubber, ivory, and cacao. For these they barter cottons, spirits, fire-arms, salt, and hardware. The total exchanges between Germany and her African possessions amount to about £560,000 annually.

Great Britain is largely represented for commercial purposes in Germany. In addition to a commercial *attaché*, and a Consul-General at Berlin, there are consular representatives at Bremen, Bremerhaven, Breslau, Cologne, Cuxhaven, Danzig, Düsseldorf, Frankfurt-on-the-Main, Hamburg, Harburg, Husum, Kiel, Königsberg, Leipsic, Lubeck, Mannheim, Memel, Stettin, Swinemünde, and Wismar. Germany has consular representatives at Aberdeen, Belfast, Bradford, Cardiff, Dublin, Dundee, Glasgow, Hull, Leith, Liverpool, London,

Manchester, Newcastle, Peterhead, Plymouth, Southampton, and Sunderland.

Mails are despatched three times a day, via Belgium, and twice a day via Holland. The time of transit is twenty-four hours to Berlin, twenty-one hours to Hamburg and nineteen hours to Frankfurt. The cost of telegrams to all parts of Germany is 2*d.* per word.

GIBRALTAR (BRITISH). Gibraltar is a fortified rock promontory, projecting into the Mediterranean from the south of Spain. The town of the same name is situated on a bay to the west of the fortress, and is a coaling station as well as a place of call for ships passing through the adjacent strait. An enclosed harbour, with three graving docks, capable of accommodating the largest battleships of the British navy, is being built at an estimated cost of about 4 millions sterling. The garrison numbers about 5,000 men.

Mails are despatched daily via France. The time of transit is three and a half days. The cost of telegrams is 3½*d.* per word.

GILL. (Fr. *Gill, quart de pinte anglaise*, Ger. *Gill, die Viertelpinte*, Sp. *Cuarta parte de pinta.*)

A measure of capacity, holding the thirty-second portion of a gallon, or the fourth part of a pint. It is nearly equal to 14.2 centilitres.

GLUT. (Fr. *Surabondance*, Ger. *Überfüllung*, Sp. *Exceso.*)

A glut of any commodity in the market occurs when the supply is greatly in excess of the demand.

GILT-EDGED SECURITIES. (Fr. *Papier doré sur tranche*, Ger. *Papiere erster Qualität*, Sp. *Seguridades de gran valor.*)

Securities which are considered to be absolutely safe and assured.

GIVE ON. (Fr. *Faire le report*, Ger. *in Prolongation geben*, Sp. *Pagar la prolongación.*)

To pay contango.

GODOWN. (Fr. *Comptoir*, Ger. *Gewölbe, Magazin*, Sp. *Almacen.*)

A warehouse in the East, where imported goods are stored until they are required for use.

GOLD BONDS. (Fr. *Obligations payables en or*, Ger. *Goldobligationen*, Sp. *Obligaciones pagaderas en oro.*)

Bonds which are payable in gold coin, either in New York, or at a fixed rate of exchange in London. They are issued by the various American railroad companies.

GOLD AND SILVER. (Fr. *Or et argent*, Ger. *Gold und Silber*, Sp. *Oro y plata.*)

Articles manufactured of gold and silver must be taken by the makers to be stamped at the Assay Office in one of the following places, and if found to be of the legal quality each article is stamped with the four marks, as follows :—

(*a*) The Hall Mark. This is for Birmingham, an anchor ; for Chester, three wheat sheaves, or a dagger ; for Dublin, a harp, or the figure of Hibernia ; for Edinburgh, a thistle, or a castle and lion ; for Exeter, a castle with two wings ; for Glasgow, a tree and a salmon with a ring in its mouth ; for London, a leopard's head ; for Newcastle-on-Tyne, three castles ; for Sheffield, a crown ; for York, five lions and a cross.

(*b*) The Standard Mark. This shows the fineness, and is represented for England by a lion passant ; for Edinburgh, by a thistle ; for Glasgow, a lion rampant ; for Ireland, a harp crowned. The gold must be of 22 carats, and silver of 11 ozs. 2 dwts. fine. In gold of 18 carats fine, a crown and the figures 18 are used.

(*c*) The Duty Mark. The head of the sovereign, showing that the duty has been paid.

(*d*) The Date Mark. A letter of the alphabet in a shield, the letter itself being periodically changed.

GOLD COAST (BRITISH). A British Crown Colony, situated on the west coast of Africa. It is bounded on the east by the German Togoland, and on the west by the French Ivory Coast. The coast-line extends for 350 miles. The area, including Adansi and Ashantee, is about 75,000 square miles, and the population is estimated at 1,500,000. Accra is the administrative centre. Several railways are in course of construction. The chief productions are palm-oil, palm kernels, and rubber. The country is supposed to be very rich in minerals, especially gold.

Mails are despatched every Friday, the time of transit to Accra being seventeen days. The cost of telegrams is 5*s.* 7*d.* per word.

GOOD MERCHANTABLE QUALITY AND CONDITION. (Fr. *Marchandises de bonne qualité vendable*, Ger. *gute Qualität und Beschaffenheit*, Sp. *Mercancias de buena calidad y acondiciónadas.*)

A phrase commonly used in making contracts. It means that the goods supplied must be up to the ordinary standard of quality, and in their customary sound state.

GOODWILL. (Fr. *Clientèle*, Ger. *Kundschaft*, Sp. *Clientela.*)

This term, although an exceedingly familiar one, is not easy to define. In one sense it means every practical advantage that has been acquired by an established firm in carrying on a business under a particular name and style. Lord Eldon described it as "nothing more than the probability that the old customers will resort to the old place."

Lord Lindley says: "The term goodwill can hardly be said to have any precise signification. It is generally used to denote the benefit arising from connection and reputation, and its value is what can be got for the chance of being able to keep that connection and improve it. Upon the sale of an established business its goodwill has a marketable value, whether the business is that of a professional man or of any other person. But it is plain that goodwill has no meaning except in connection with a continuing business; and the value of the goodwill of any business to a purchaser depends, in some cases entirely, and in all very much, on the absence of competition on the part of those by whom the business has been previously carried on."

A writer on Commercial Law has summarised the various definitions thus:—

"All that can be gathered from the various definitions is that where the locality of the business premises makes the trade, goodwill represents the advantage derived from the chance that customers will frequent the premises in which the business has been carried on; that where the business is one which depends upon the reputation of a firm, the goodwill consists of the advantage which the owner derives from being allowed to represent himself as such; that where the business is due to the individuality of the owner, and where its reputation cannot be separated from his, the goodwill is all but non-existent; and that where the value of the business depends upon the business connection, the goodwill consists of the right to be properly introduced to those connections."

The goodwill of a business is frequently its most valuable asset, and there is a legal right or interest in it, an incorporeal right, which is most jealously guarded. On a conveyance or an agreement for the sale of the goodwill of a business an *ad valorem* stamp duty is levied. What is the value of the goodwill of a business must depend entirely upon circumstances.

When a business is sold, the goodwill passes to the transferee, and it is most important that nothing should be done by the transferor to interfere with the conduct of the business. The common method is for the transferor to enter into an agreement with the transferee not to compete with him in any similar business. If the agreement is not too wide to be enforced, according to the rules to be observed in connection with contracts in restraint of trade, a transferor will be bound by it. In the absence of any special agreement the present state of the law may be summed up as follows:—

(*a*) Only the person who acquires the goodwill is at liberty to represent himself as continuing or succeeding to the business of the vendor.

(*b*) The transferor is at liberty to set up in similar business and to enter into competition with the transferee, but he must not do so under a name which amounts to a representation that he is carrying on the old business.

(*c*) The transferor may publicly advertise his business, but he must not, either personally or by circular, solicit the customers of the old firm.

As the goodwill is a part, and often the most valuable part, of the partnership property, it should always be sold on the dissolution of a partnership, unless the parties otherwise agree as to its disposal. In the absence of any agreement as to sale, each of the members of the old firm, who continues to carry on a business of a similar nature after the dissolution of the partnership, is entitled to the benefit of the goodwill.

Compensation.—The proprietor of the goodwill of any business is entitled to compensation if he is compelled to vacate his premises by reason of the land, etc., being taken under statutory powers, and if it is clear that the goodwill suffers any diminution in value through the removal or extinction of the business. If the parties cannot agree upon terms the matter is generally referred to arbitration.

Mr. Cripps says: "When lands are taken under compulsory powers, the goodwill is not purchased by the promoters, but remains the property of the trader, and the loss suffered by him is the diminution in its value in consequence of his compulsory ejectment from the premises he is occupying. So far from the goodwill being purchased or destroyed by the promoters, there are many cases in which the diminution

in its value is hardly appreciable, although the trade premises have compulsorily been taken. If a business is of a wholesale character, or income which consists of orders from a widely extended area, a compulsory change of trade premises would be productive of small loss. If, in addition, convenient premises can be acquired in the immediate neighbourhood of the premises taken, the loss incurred through diminution in the value of goodwill becomes merely nominal, and the owner's only claim to compensation is in respect of any reasonable expenses which the taking of equally convenient new premises has rendered necessary. On the other hand, there are cases in which the diminution in the value of a goodwill may almost equal the entire value of a goodwill. This is the case where a business is retail and local, depending on neighbouring customers, and no suitable premises can be found in the locality within which the business connection extends. When premises are taken and business is carried on at a loss, the owner may be entitled to compensation on the ground that, but for compulsory powers, he would have been entitled to remain on the premises and to carry on his business."

GRAIN. (Fr. *Grain*, Ger. *Grän*, Sp. *Grano, grana.*)

The smallest weight in the systems commonly used in England and America for denoting the weights of bodies. The origin of measures and weights in England is to be found in a grain of barley or wheat. The weight of 32 grains, well dried and taken from the middle of the ear, was called one pennyweight. The pennyweight was afterwards divided into 24 grains, and is now an artificial standard.

In a statute of Edward I. it is enacted :—

(*a*) "An English penny, now the largest coin in England, which is called a sterling, round and without clipping, shall weigh 32 grains of wheat, well dried, and gathered out of the middle of the ear;

(*b*) "And twenty of these pence, or twenty pennyweights, shall make an ounce;

(*c*) "And twelve of these ounces shall make a pound."

The grain can be taken as the common unit in comparing the system of weight known as avoirdupois, containing 437.5 grains to an ounce, or 7,000 grains to the pound, with the apothecaries' and the troy ounce of 480 grains. The principal terms of the decimal system of weights may thus be expressed in grains :—

	Grains.
1 Kilogramme	15432.3488
1 Gramme	15.432349
1 Centigramme	0.15432
1 Milligramme	0.01543

The German pound contains 7,217 grains, and the Spanish libra 7,099 grains.

GRAIN. (Fr. *Grains, céréales*, Ger. *Gertreide*, Sp. *Granos, cereales.*)

The seed of any plant of the order *gramineae*, such as wheat, oats, barley, rye, rice, maize, etc. Commercially, these are all included in the general term *grain*. They are also known as *Cereals*, from the Latin, *cerealis*, pertaining to *Ceres*, the goddess of corn and harvest.

GRAMME. (Fr. *Gramme*, Ger. *Gramm*, Sp. *Gramo.*)

The unit of weight in the metric system. It is the weight of a cubic centimetre of distilled water at its greatest density, that is, at a temperature of 4° Centigrade. It is rather less than 15½ grains, its exact value in grains being expressed decimally by 15.432349.

An English pound, avoirdupois, is equal to 453.6 grammes, a German pound to 467.7 grammes, and a Spanish libra to 460 grammes.

GRAVING. (Fr. *Radoub*, Ger. *Reinigen und Kalfatern*, Sp. *Grabura.*)

The act of cleaning a ship's bottom.

GRAVING DOCK. (Fr. *Bassin de radoub*, Ger. *Kalfatdocke*, Sp. *Darsena, dique seco.*)

A dock in which ships are taken for the purpose of being graved; a dry dock.

GREECE. *Position, etc.* — Greece is the most southern part of the Balkan Peninsula. It has Turkey on the north, the Mediterranean on the west and south, and on the east the Ægean Sea, an arm of the Mediterranean.

The area of Greece is nearly 25,000 square miles, and its population is less than 2½ millions. A considerable proportion of the inhabitants live in the numerous islands which border the coasts.

Though Greece is a country of mountains and hills the soil is in many districts very fertile.

There are considerable varieties of climate. In the northern highlands the winters are often severe, but in the plains and coast districts the temperature is generally mild.

Industries.—Agriculture, though the occupation of half the people, is in a very backward condition. The chief products are wheat, barley, and maize, besides cotton, tobacco, and fruits. Large crops of grapes and olives are raised. Silk-culture is also carried on, but not so actively as in former years.

A large part of the country is pasture-land. Vast flocks of sheep and goats in a half-wild state graze on the hills during the summer season.

Minerals are not abundant. There are deposits of iron, zinc, and lead, but these have not been much developed. In recent years the lead mines have been worked, and some of the product is exported. In several islands there are quarries of fine marble of various colours, the most famous being the statuary marble of the island of Paros.

The manufactures are few. Cotton and woollens for home use are made in the rural districts. Ship-building is an industry at some of the seaports, and in many of the towns and islands there are small manufactures of silk, hardware, earthenware, and leather goods. The Greeks are skilled in sculpture, marble-cutting, and embroidering in gold and silver.

The system of internal communication has been much improved in recent years. There are now 600 miles of railway, but Greece has no navigable rivers.

Commerce.—The foreign commerce of the kingdom is very considerable. The Greeks have, from early times, been enterprising traders, and to-day they carry on much of the commerce of the Mediterranean. The exports are chiefly currants (the seedless raisins of Corinth), ores, olive oil, and wine; and the leading imports are cereals, metals, textiles, and timber. Most of the trade is with Great Britain, Turkey, France, and Austria-Hungary. The commerce of Greece has been much stimulated by the recently-opened Corinth ship canal, which greatly shortens the sea passage between Athens and western Europe. The canal cuts through the rocky Isthmus of Corinth, a distance of about four miles. Value of imports to the United Kingdom, 1½ millions; exports from the United Kingdom, 1½ millions.

Commercial Cities.—Athens, the capital, has about 180,000 people. This city was famed in ancient times as the centre of art, oratory, and learning. The remains which still exist of its magnificent works in statuary and architecture excite the admiration of the world.

The Piræus is the seaport of Athens. It is the coaling depot for steamers going to Smyrna, Constantinople, and the Black Sea. It has manufactures of iron-ware, cutlery, glass, and cotton.

Syra, on an island of the same name in the south-east, is a busy port.

There are British consuls or vice-consuls at Athens, Corfu, Corinth, Patras, Piræus, Syra, Volo, and Zante, whilst Greece has consular representatives in the United Kingdom at Cardiff, Dublin, Glasgow, Liverpool, London, Manchester, and Southampton.

Mails are despatched five times a week via Italy. The time of transit to Athens is four days. The cost of telegrams is 6½*d.* per word.

GREENBACKS. (Fr. *Greenbacks*, Ger. *Greenbacks*, Sp. *Greenback.*)

The familiar name by which the notes of the United States Government are known.

GROCER. (Fr. *Epicier*, Ger. *Kolonialwarenhändler*, Sp. *Lonjista, especiero.*)

Originally a person who sold goods by the gross, or wholesale; now a dealer in tea, sugar, and other produce generally.

GROCERIES. (Fr. *Épiceries*, Ger. *Spezereiwaren*, Sp. *Ultramarinos.*)

The commodities dealt in by grocers. In America a grocer's shop or store is called a grocery.

GROSS. (Fr. *Grosse*, Ger. *Gross*, Sp. *Grueso.*)

A mode of reckoning goods in trade. The number indicated by it is twelve dozen, though the word means really a great hundred.

GROSS. (Fr. *Brut*, Ger. *Brutto*, Sp. *Bruto.*)

The full weight or quantity of any commodity without any deduction whatever.

GROSS VALUE. (Fr. *Valeur brute*, Ger. *Bruttowert*, Sp. *Valor bruto.*)

When reference is made to property, the gross value is defined to be the annual value which a tenant might reasonably be expected to pay, taking one year with another, for any hereditament, if such tenant undertook to pay all the usual tenant's rates and taxes, and if the landlord undertook to bear the costs, repairs, insurance, and other expenses, if any, necessary to maintain the hereditament in a state to command that rent.

GROSS WEIGHT. (Fr. *Brut*, Ger. *Bruttogewicht*, Sp. *Peso bruto.*)

The weight of goods and the package in which they are contained. The

weight of the package itself is the "tare," that of the goods only the "net weight."

GROUNDAGE. (Fr. *Droits d'ancrage*, Ger. *Tonnengeld*, Sp. *Derechos de fondeo.*)

The tax paid by a ship for the groundage or space occupied while in port.

GROUND RENT. (Fr. *Rente foncière*, Ger. *Grundzins*, Sp. *Renta enfundadora.*)

The rent paid to a landlord for liberty to build upon his ground. The lease is granted for a fixed number of years, and on its termination the buildings which have been erected become the property of the landlord, or his representatives.

GUARANTEE. (Fr. *Garantie, caution, aval*, Ger. *Bürgschaft, Garantie, Kaution*, Sp. *Garantía, caución.*)

The contract of suretyship, or guarantee, is one in which a person undertakes to be answerable to another for the payment of a debt or the performance of some act on the part of a third person. The third person must be legally bound to pay the debt or to perform the act, and the surety, as the person giving the undertaking is called, is only liable on *the failure of the principal*, the debtor, to carry out his legal obligation.

By the fourth section of the Statute of Frauds, it is necessary that a guarantee, an undertaking to answer for the "debt, default or miscarriage" of another, should be evidenced by writing. There must be some memorandum setting out all the necessary particulars of the transaction. The existence of the written memorandum does not, of course, dispense with the necessity for a consideration. The consideration must be a valuable one, moving from the creditor, and satisfying the ordinary rules as to consideration. If the contract is under seal, there is no need for a consideration.

At one time it was necessary that the consideration should be set out in the memorandum, but since the passing of the Mercantile Law Amendment Act, 1856, the statement of the consideration is no longer necessary in the case of guarantees, provided that a consideration does in fact exist.

It is not always easy to determine whether an undertaking of this kind is a guarantee or simply an indemnity. Yet it is most important to distinguish the two, because, whereas a guarantee requires evidence in writing, an indemnity needs no such authentication. The distinction has been recently dealt with in two cases by the Court of Appeal. In the first the facts were as follows: The plaintiffs, a firm of stockbrokers, verbally agreed with the defendant to undertake the transaction of business upon the Stock Exchange, and to be answerable for customers whom the defendant should introduce, upon the terms that the defendant was to receive one half of the commission earned upon, and to be liable to the plaintiff for one half of the losses arising from, such transactions. Through the default of a customer the plaintiffs incurred a heavy loss, and they sought to recover one half of the amount under the verbal agreement. It was held that the promise to be answerable for the losses was the ulterior consequence only to the agreement, the main object being to regulate the terms of the defendant's employment in respect of transactions in which he was interested, and that therefore the contract was one of indemnity and not a promise to guarantee the debt of another person. The fourth section of the Statute of Frauds, therefore, did not apply. In the second case the defendant had orally agreed with the plaintiff that if the plaintiff would accept certain bills for a firm in which the defendant's son was a partner, the defendant himself would find the funds to meet them. It was held that this understanding was a promise on the part of the defendant to be liable primarily, and that therefore it was an indemnity, needing no evidence in writing to make it enforceable by action.

A test which has been approved as one to be applied in distinguishing a guarantee from an indemnity is this: Whether the person who makes the promise is, but for the liability which attaches to him by reason of the promise, totally unconnected with the transaction, or whether he has an interest in it independently of the promise.

The distinction is clearly seen in such a case as the following. A and B enter a tailor's shop. A says to the tailor: "Make B a coat, and if he does not pay you I will." This is a guarantee, and the tailor cannot sue A upon it, unless there is some memorandum in writing. But if A says: "Make B a coat, and put it down to me," here A makes himself primarily liable, and there is no need of any writing.

It is thus clear that a contract of guarantee involves the existence of another contract, and that one of the parties to this contract, viz., the creditor, is also a party to the contract of guaran-

tee. The principal debtor is the person liable on the first contract, and the guarantor or surety is only liable on the second.

The undertaking, to constitute a guarantee and thus fall within the statute, must be given to the creditor himself.

Before the guarantee is binding upon the guarantor it must be accepted by the person to whom it is offered. Otherwise the requirements of a simple contract are not fulfilled. Thus, in an old case, a gentleman wrote to a firm of publishers, stating his willingness to be answerable up to £50 for the cost of bringing out a certain book by another person. The publishers never replied to the letter, but brought out the book. In an action, which afterwards became necessary, it was held that the letter could not be treated as a guarantee, since the offer contained in it had never been accepted.

But if the guarantee is an acceptance, *e.g.*, in the example just given if the publishers had written to the guarantor and the guarantee had then been sent in reply to the publishers' letter, no further communication between the parties is necessary.

A guarantor can always revoke his offer to become a surety until it has been accepted.

A guarantee, like any other agreement under hand, must be stamped with a sixpenny stamp. This must be done within fourteen days of the date of the instrument

It has been decided, in a case tried in 1900, that the contract of suretyship is not one of the class *uberrimae fidei*.

The contract itself will state the amount of the liability of the surety, and will generally further specify any conditions precedent to the creditor's suing the guarantor on default being made by the principal debtor. In the absence of any such conditions, the creditor can sue the surety at once, even before suing the principal, and need give no notice to the surety, nor make any preliminary demand upon him.

The extent of the liability of the guarantor, in point of time, will depend upon the terms of the contract. It may extend to a single transaction, or cover transactions spread over a considerable space of time. The latter are called "continuing guarantees." Each case must be decided upon its own facts, and no general rules can be laid down. The decisions of the courts upon this subject run remarkably close, and it is very difficult to distinguish some of them.

If a surety becomes bankrupt, the creditor can prove against his estate for the amount of his guarantee.

When the surety has become absolutely liable under the guarantee, he has the following rights:—

(1) Against the principal debtor. He can recover all moneys properly paid under the guarantee, together with interest upon the same, or, if no moneys have been paid, he can take proceedings to compel the principal debtor to exonerate him from liability.

(2) Against the principal creditor. In return for discharging the debt under the guarantee, the surety has a right to be placed in the same position towards the principal debtor as the creditor is. All securities and other rights, such as judgments, must be transferred to him. This right was given to sureties by the Mercantile Law Amendment Act, 1856.

(3) Against co-sureties. When the contract of guarantee is entered into by several sureties, any one of the latter, on paying the amount fixed by the guarantee, can claim contribution from his co-sureties. And the right of contribution is not affected by the fact that the sureties are bound by different instruments. If, however, the various sureties are bound in varying amounts, they must contribute proportionally to the amount guaranteed, and not equally. In reckoning the sureties, when there are several, only those are counted who are able to pay. Thus, if there are three co-sureties, and one of them has become insolvent, the surety who has had to pay the debt can compel the remaining solvent surety to pay one half of the sum guaranteed, if he has had to pay the whole, and not one-third only.

On the general principles of the law of contract, fraud or misrepresentation will make a guarantee absolutely void. So also will a failure of the consideration for which it is given. In such cases a surety is freed from liability.

But, in addition, there are several other ways in which a surety may be released. The most common of these is an alteration in the terms of the contract between the creditor and the debtor behind the surety's back. The law upon the subject was thus summed up by the late Lord Justice Cotton: "The true rule, in my opinion, is that if there is any agreement between the principals with reference to the contract guaran-

teed, the surety ought to be consulted, and that if he has not consented to the alteration, although in cases where it is without inquiry evident that the alteration is unsubstantial, or that it cannot be otherwise than beneficial to the surety, *the surety may not be discharged*: yet that if it is not self-evident that the alteration is unsubstantial, or one which cannot be prejudicial to the surety, the court will not, in an action against the surety, go into an inquiry as to the effect of the alteration, or allow the question whether the surety is discharged or not to be determined by the finding of a jury as to the materiality of the alteration, or on the question whether it is to the prejudice of the surety, but will hold that, in such a case, the surety himself must be the sole judge whether or not he will consent to remain liable notwithstanding the alteration, and that if he has not so consented he will be discharged."

A good illustration of the way in which a material alteration will release a surety is to be found in a case decided in 1896. A joint and several bond of suretyship was executed by four persons. By the terms of the instrument the liability of two of them was limited to £25 each, and of the other two to £50 each. One of the latter, after the other three had executed the bond, executed it himself, but added the words "£25 only" to his signature. The creditor accepted the bond without objection. On the default of the principal debtor it was held, in an action brought by the creditor, that the bond had been materially altered, and that the first three sureties were discharged from all liability under it.

Again, a surety is discharged if the creditor binds himself to give time to the principal debtor. The reason for this is that the creditor has deprived the surety, for the time being, of the opportunity of considering his position and pursuing his remedies against the debtor, remedies which may be lost if an extension of the period of liability is granted. But mere forbearance or delay in suing will not discharge a surety.

In the case of what is called a "fidelity guarantee," that is, a guarantee by which a surety is responsible for the honesty of a person employed in a particular office or vocation, the guarantee only continues, unless otherwise agreed, as long as the duties of the office or appointment remain the same. Moreover, an employer cannot claim under a guarantee if he regularly throws temptations in the way of his servant; and if he discovers that the servant has been guilty of any act of dishonesty, it is his duty to inform the surety of the fact, and the latter is then entitled to withdraw from his contract.

Unless by the terms of the contract it is otherwise agreed, a continuing guarantee is, after the death of the surety, revoked as to all future transactions by a notice given to the creditor; and if a guarantee is given for a firm, it ceases to be binding after a change has been made in the constitution of the members of the firm.

The release or satisfaction of the principal debt at once puts an end to a contract of guarantee.

A surety will be freed from all liability if the creditor fails to take proceedings against him within the time fixed by the Statute of Limitations, that is, within six years in the case of a simple contract, or within twenty years if the contract is under seal.

Closely connected with suretyship and guarantee, though belonging to the law of tort and not of contract, is the right of action for what is known as deceit. It arises when a person has made a fraudulent representation as to the credit of another, and a third party has acted upon such representation and suffered loss. To maintain such an action it is necessary for the plaintiff to prove that the false representation was fraudulently made, and that such false representation was the cause which induced him to act to his prejudice. By Lord Tenterden's Act, passed in 1828, any representation as to the "conduct, character, credit, or ability" of another must be made in writing, and signed by the person making it.

GUARANTEE FUND. (Fr. *Fonds de réserve*, Ger. *Reservefonds*, Sp. *Fondos de reserva.*)

A fund set apart out of the profits of a business to meet any exceptional losses.

GUARANTEE SOCIETY. (Fr. *Société de sécurité*, Ger. *Kautionsversicherungsgesellschaft*, Sp. *Sociedad de garantía.*)

A society which, upon the payment of an annual premium, grants security in bonds to guarantee employers against theft or forgery, which may be made by clerks or others in positions of trust.

GUARANTEE STOCKS. (Fr. *Actions garanties*, Ger. *garantierte Aktien*, Sp. *Valores garantizados.*)

Stocks upon which the interest, or the principal together with the interest, is guaranteed. Sometimes the interest is guaranteed by another company—as in the case of a railway company having running powers over another line—and when the interest cannot be paid by the company itself, it must be paid by the company which guarantees it.

GUARANTOR. (Fr. *Garant*, Ger. *Bürge*, *Garant*, Sp. *Garante*, *fiador*.)

The person who gives a guarantee.

GUATEMALA. It is bounded on the north and west by Mexico, on the east by British Honduras and Salvador, and on the south by the Pacific. The area is about 63,000 square miles, and the population rather less than 1,500,000. The most valuable product and export is coffee; sugar, hides, indigo, and fruits follow in order. Rubber is being cultivated. The capital is Guatemala la Nueva, with a population of 75,000. The chief ports are San Jose and Champerico, both on the Pacific coast.

The consular representatives of Great Britain are stationed at Guatemala la Nueva and San José, whilst Guatemala has consuls or vice-consuls at Birmingham, Cardiff, Glasgow, Liverpool, London, Manchester, Plymouth, and Southampton.

The regular mail service is twice a week, via New Orleans. The time of transit is about twenty days. The cost of telegrams is 3*s.* 1*d.* to 3*s.* 4*d.* per word.

GUIANA, BRITISH. British Guiana includes the three Settlements of Demerara, Essequibo, and Berbice, so named from the principal rivers. The area is estimated at about 120,000 square miles, and the population is about 300,000. The cultivated part of the country is situated along the sea-coast and a short distance up the rivers. The chief product is sugar, of which the variety known as Demerara crystal is the finest in the world. Cotton of excellent quality is also grown. Cocoa-nuts, coffee, rum, molasses, and butter are also produced.

The leading exports are—

Sugar, value one million sterling; gold, value half a million sterling; rum, timber, and molasses make up the remaining £300,000.

Georgetown is the capital and port.

The regular mail service is fortnightly, and the time of transit about fourteen days. Telegrams cost 7*s.* per word.

GUILD. (Fr. *Corps de métier, corporation*, Ger. *Gilde*, Sp. *Emandaaes, gremios.*)

The name of a society or body of individuals associated together for promoting the interest of the particular trade or calling to which the members belong. It was not until 1835 that the law was formally abolished by which no person was permitted to exercise a trade or calling in a town unless he was a member of a guild. The word is derived from the Anglo-Saxon, *gildan*, to pay.

GUINEA. (Fr. *Guinée*, Ger. *Guinee*, Sp. *Guinea.*)

The name of a gold coin formerly current in Great Britain, which was so called because it was first coined of gold brought from Guinea, in West Africa. By a proclamation of December 22, 1717, the guinea was made current at twenty-one shillings, although its true market value was fourpence less than that sum. There is now no English coin of this name but it is customary to reckon professional fees and voluntary subscriptions in guineas, instead of pounds, shillings, and pence. Guineas have not been coined since 1817.

GULDEN. (Fr., Ger. and Sp. *Gulden.*)

Another name for the Austrian florin.

H. This letter occurs in the following abbreviations:—

Hhd., Hogshead.
H.M.C., His Majesty's Customs.
H.M.S., His Majesty's Service.
H.P., Horse Power.
H.P.N., Horse Power Nominal.

HABERDASHER. (Fr. *Mercier*, Ger. *Kurzwarenhändler*, Sp. *Mercero.*)

The seller of small wares, such as ribbons, tapes, etc.

HALL MARK. (Fr. *Poinçon du contrôle, contrôle*, Ger. *Feingehaltsstempel*, Sp. *Marca del Gremio.*)

The mark made on jewellery and plate at the Goldsmiths' Hall, or the Assay Office, to show its quality, and to indicate in addition the year of marking.

HAMMERED. Fr. *Exécuté*, Ger. *Verkracht*, Sp. *Insolvente.*)

A member of the Stock Exchange who is unable to meet his liabilities is said to be "hammered," because the fact of his default is publicly announced to the other members after attention has been called by striking the rostrum with three blows of a wooden hammer. The name of the defaulter is then added to the list of members who have been suspended or expelled owing to their inability to meet their liabilities. If the estate of the defaulter realizes 10*s.* in the £ he is re-admitted as a member.

HANDSEL. (Fr. *Etrenne*, Ger. *Handgeld*, Sp. *Estreno.*)

Earnest money.

HANSE. (Fr. *Hanse*, Ger. *Hansa*, Sp. *Hanséatico.*)

A league. The name applied to certain commercial cities in north and central Europe, which leagued together for mutual defence in the thirteenth century. The last three of the Hanse Towns, as they were called, were Hamburg, Bremen, and Lubeck. They have now been incorporated with the German Empire.

HARBOUR. (Fr. *Port*, Ger. *Hafen*, Sp. *Puerto.*)

A haven in which ships can anchor or moor. A harbour is only partly enclosed, and is so distinguished from a dock, which is wholly enclosed.

HARBOUR DUES. (Fr. *Droits de port*, Ger. *Hafengebühren*, Sp. *Derechos de puerto.*)

These are sums paid by ships for entering certain harbours, and for the use of landing-stages, etc.

HARBOUR MASTER. (Fr. *Capitaine de port*, Ger. *Hafenmeister*, Sp. *Capitan de puerto.*)

The public officer who has control or charge of a harbour.

HATCH WAY. (Fr. *Écoutille*, Ger. *Luke*, Sp. *Escotilla.*)

The name given to the opening in the the decks of a ship giving access to hold.

HAVEN. (Fr. *Havre*, *port*, Ger. *Hafen*, Sp. *Abra*, *puerto.*)

An inlet of the sea, or the mouth of a river where ships can obtain good anchorage.

HAULAGE. (Fr. *Halage*, Ger. *Transportkosten*, Sp. *Arrastre.*)

An exclusive charge made by railway, dock, and canal companies for the use of carriages or trucks, the use of a line of rails, or the haulage of loaded or empty trucks or waggons between respective points. It does not cover the services of loading and discharging the trucks.

HAYTI. The Republic of Hayti is the western portion of the island of San Domingo, which, next to Cuba, is the largest of the West Indies. Its area is 29,000 square miles, and the population about 1,500,000. The principal products and exports are coffee, mahogany, log-wood, cotton, cocoa, and hides. The principal foreign trade is carried on with the United States, Great Britain, France, and Germany.

The capital is Port-au-Prince, situated at the west of the island, with a harbour admirably adapted for commerce.

Great Britain has a Consul-General resident at Port-au-Prince, and Hayti has consular representatives at Cardiff, Cork, Dundee, Glasgow, Grimsby, Liverpool, London, and Southampton.

There is a regular fortnightly mail service to Hayti, via Southampton. The time of transit is fifteen days. The cost of telegrams is *5s. 4d.* per word to Port-au-Prince, and *7s. 5d.* per word to other parts of the country.

HEALTH, BILL OF. (See *Bill of Health.*)

HEAVY STOCK. (Fr. *Actions des compagnies de chemin de fer de transport*, Ger. *Eisenbahnaktien*, Sp. *Valores de Companias de ferro-carriles.*)

The stock of those railways which have a heavy goods traffic.

HECTARE. (See *Metric System.*)

HERITABLE BONDS. (Fr. *Obligations héréditaires*, Ger. *erbliche Obligationen*, Sp. *Obligaciones hereditarias.*)

These are bonds having a conveyance of land attached to them, and are given as a security for the faithful repayment of money lent or owing, the latter documents being available in the event of the bonds not being duly honoured, or the interest upon them not being paid when due.

HIGH BAILIFF. (Fr. *Grand bailli*, Ger. *Oberamtmann*, Sp. *Aguacil Mayor.*)

This is the chief officer of the county court, appointed under the County Court Act, 1888, to attend the sittings of the court, and by himself or by the bailiffs appointed to assist him, to serve all summonses and orders, and execute all warrants, precepts, and writs of the court, with certain exceptions provided by the Act.

HIGH SEAS. (Fr. *Haute mer*, Ger. *hohes* or *offenes Meer*, Sp. *Alta mare.*)

By international law every country bordering on the sea has the exclusive sovereignty over such sea to the extent of three miles from its shores. Such portion of the ocean is known as the closed sea, or territorial waters. All beyond this is the high seas, open to all.

HINDE PALMER'S ACT, 1869. This Act abolished the priority of specialty over simple contract debts which existed previously to January 1, 1870, in the administration of the estates of deceased persons. (Specialty debts are those created by deed, whilst simple contract debts are those created by parol, that is, by any agreement, verbal or otherwise, not under seal). Any lien, charge, or other security held by a creditor for the payment of his debt is not affected by the Act. Moreover, an executor is not able to retain his own simple

contract so as to defeat specialty creditors. If there is a right of retainer the assets of the deceased's estate must first be applied rateably between the creditors by specialty and by simple contract, then the claims of the specialty creditors must be satisfied to the extent of the amount allotted to them, and it is out of the residue, namely, that to which the simple contract creditors are entitled, that the executor must first deduct any debt that is due to himself.

HIRE. (Fr. *Louage*, Ger. *Lohn, Miete*, Sp. *Alquilado.*)

This may signify—

(1) Wages for service.

(2) The price paid for the temporary use of anything.

HIRE PURCHASE. (Fr. *Par acompte*, Ger. *Abzahlungsgeschäft*, Sp. *Compra á plazos.*)

This is an arrangement by which it is agreed that the property in goods is to be transferred in consideration of a certain number of periodical payments. Until the whole of the payments have been made, the property in the goods remains in the vendor or letter. But as the hirer—who is to become the eventual purchaser—gains possession of the goods, he can dispose of them and give a good title to a third person if the agreement is enforceable as a sale. To prevent such a result it is now the common practice to have the hire-purchase agreement drawn up in such a manner that the hiring may be terminated on the happening of certain events, or at the option of either party. The sale is then subject to a condition precedent, and the hirer is unable to give a title to any person who takes the goods from him, so long as the hiring agreement lasts. Each case depends upon the construction of the wording of the agreement. The cases of *Lee* v. *Butler* (1893), 2 Q.B. 318, and *Helby* v. *Matthews* (1895), A.C. 471, point out the distinction with the utmost clearness.

Goods let out on the hire-purchase system are not exempt from distraint for rent, if they are upon the premises at the time of the distraint

HIRER. (Fr. *Loueur*, Ger. *Mieter*, Sp. *Arrendador.*)

A person who hires.

HITHE. (Fr. *Quai*, Ger. *Kai, Quai*, Sp. *Muelle.*)

A small haven.

HOGSHEAD (hhd.). (Fr. *Tonneau, demi-pièce* (*anglaise*), Ger. *Oxhoft*, Sp. *Hogshead, medida, inglesa equivalente á* 245 *litros.*)

This term was formerly employed to denote a measure of capacity, but as all liquid measurements are now made in gallons, it is used to designate any large cask. The hogshead, in wine measure, contained 63 gallons, while in beer and ale measure there were only 54 gallons. In the United States it is still used as a measure for liquids, equal to 63 gallons. A hogshead of tobacco varies in different states from about 750 to 1,200 lbs. The word is supposed to mean ox-head, not hogshead.

HOLD. (Fr. *Cale*, Ger. *Schiffsraum*, Sp. *Presa.*)

The hollow interior of a ship used for the stowage of cargo.

HOLDER. (Fr. *Porteur*, Ger. *Inhaber*, Sp. *Tenedor, portador.*)

The person into whose hands a bill of exchange or other negotiable document may fall, either directly or by indorsement. The lawful holder of a bill of exchange is called a "holder in due course."

By the Bills of Exchange Act, 1882, a holder in due course is defined as a holder who has taken a bill, complete and regular on the face of it, under the following conditions:—

(*a*) That he became the holder of it before it was overdue, and without notice that it had been previously dishonoured, if such was the fact;

(*b*) That he took the bill in good faith and for value, and that at the time the bill was negotiated to him he had no notice of any defect in the title of the person who negotiated it.

(The title of a person who negotiates a bill is defective within the meaning of the Act when he has obtained the bill, or the acceptance thereof, by fraud, duress, force and fear, or other unlawful means, or for an illegal consideration, or when he negotiates it in breach of faith, or under such circumstances as amount to a fraud.)

A holder, whether for value or not, who derives his title to a bill through a holder in due course, and who is not himself a party to any fraud or illegality affecting it, has all the rights of that holder in due course as regards the acceptor, and all parties to the bill prior to that holder.

The holder must in due course present the bill for acceptance and payment, and if the acceptance or the payment is refused he must give the requisite notice of dishonour or protest the bill, according as it is an inland or a foreign one.

His rights and powers are as follows :—

(1) He may sue on the bill in his own name.

(2) Where he is a holder in due course, he holds the bill free from any defect of title of prior parties, as well as from mere personal defences available to prior parties among themselves, and may enforce payment against all parties liable on the bill.

(3) Where his title is defective, (*a*) if he negotiates the bill to a holder in due course, that holder obtains a good and complete title to the bill; and (*b*) if he obtains payment of the bill the person who pays him in due course gets a valid discharge for the bill.

The holder can prove against the estate of any party to the bill who has become bankrupt; and if an act of bankruptcy has been committed by any party who is chargeable upon the bill, the holder can present a bankruptcy petition against him even though the bill is not yet due.

HOLLAND. *Position.*—Holland is situated to the north of Belgium, having Germany on the east and the North Sea on the west. It has an area of 12,648 square miles, and a population of 4,174,632.

Configuration.—Most of the country is low-lying and flat; in the coast districts much of it is below the level of the sea. Here the land is protected from inundation by sandbanks, or dunes, formed by the action of the water at the mouths of the Rhine, Meuse, and Schelde, which flow into the sea through Holland. Where there are no sandbanks, immense dykes have been constructed, and these are kept in repair at the public expense.

Rivers.—The large rivers which flow through the Netherlands are the Rhine, the Meuse (Dutch Maas), and the Schelde. In their course to the sea these rivers intersect the provinces through which they flow by numerous estuaries and channels, forming considerable portions of these districts into groups of islands.

The Rhine, after entering the Netherlands from Germany, divides into two great branches, one of which, flowing south, unites with the Meuse; the other, flowing west, forms junctions with several small streams, and pours its waters into the North Sea. The Yssel, another arm of the Rhine, flows northward, into the Zuyder Zee, a large gulf of the North Sea, which penetrates sixty miles into the country.

Canals.—The system of internal communication in the Netherlands is complete and excellent. It is a land of canals, a network of them covering the whole country. Two thousand miles of these water-ways are navigable for large vessels. Small canals for local communication, as well as for drainage, intersect the country in every direction. One of the most important canals is that of the Y, which connects Amsterdam with the North Sea; it is twenty-three feet deep.

Railways.—The railway system forms connections, on the south, with Belgium; and, on the east, with Germany. There are about 1,800 miles of railways, more than half of which are owned by the state.

Climate and Soil.—The climate is remarkable for frequent and sudden changes from severe cold to extreme heat. In summer the thermometer often rises to 90°, and the winters are sometimes so severe that the rivers are frozen over to such a depth that loaded waggons can cross them on the ice. The soil is generally very fertile. In the Polders, as the low-lying lands are called, there is excellent and abundant pasture for cattle. The lighter soils are well suited for the growth of cereals and fruit.

Productions.—Heavy crops of oats, rye, and potatoes are raised. Among the other agricultural produce are wheat, pulse, flax, and sugar-beet. Seeds, bulbous plants, and flowers are largely grown for exportation. In the district round Haarlem, on the north-west coast, tulip and hyacinth growing is a distinct industry.

The raising of dairy cattle is a great business, particularly in North Holland; cheese and butter are important articles of export. Large numbers of cattle are also reared for foreign markets. The value of Dutch oxen and sheep sold in England amounts to a large sum annually. Bee-culture, poultry-raising, and horse-breeding are also profitable occupations.

With the exception of coal, which is found in the south-east district of Limburg, there are no minerals. The coal mines are worked by the Government. Excellent clays for making tiles, bricks, and pottery abound in many parts.

Manufactures.—Although all the raw material of the metals and most of the coal has to be imported, Dutch manufactures are varied and of great value. Cotton and linen goods are the chief products for export. There are also

considerable manufactures of iron, steel, copper, lead, glass, and Delft ware. Gin is a well-known product, taking its name of "Hollands" from that of the country. There are many beetroot sugar factories, soap factories, and breweries. Wooden ships are built in the coast towns, the timber coming from Norway, or in rafts down the Rhine from Germany.

Blankets, friezes, and other woollen fabrics are made at Leyden and Tilburg; calicoes and rich damasks in the northern district of Overyssel; carpets, silk stuffs, and yarns in the neighbourhood of Utrecht; fire-arms and glass-ware in South Holland.

Wind is the motive power for driving machinery, as well as for pumping the water off the polders. Windmills are everywhere to be seen, but steam machinery is coming into more general use.

The fishing industry is very extensive and profitable, employing more than 4,000 vessels and 15,000 men. The value of the annual product of the herring fisheries, chiefly in the North Sea, exceeds £400,000. There are also prolific oyster and mussel beds, the produce of which is largely exported to England.

Commerce.—On account of their command of the Rhine trade of Germany, and of their great colonial possessions, the Dutch are a nation of merchants; and the value of their foreign commerce is greater, in proportion to the population, than that of any other nation of Europe. Most of the exports go to Great Britain and Germany, and nearly half the imports come from these countries. The export trade includes not only the produce of the Netherlands, but also the sugar, coffee, tea, and rice of her colonies.

Holland figures very largely in the trade returns of the United Kingdom, one-fourth of the value of her exports being represented by agricultural produce, but much of the merchandise exported from Great Britain to Holland is for distribution in Germany and other parts of the continent of Europe.

The imports from the United Kingdom reach the annual value of 11 millions sterling; the items of greatest value being textile fabrics, 3½ millions; metal goods, 1¼ millions; chemicals and coal, each half a million sterling.

The exports to the United Kingdom, valued at 32 millions sterling, consist chiefly of food, 7½ millions; textiles, 6 millions; metal goods and chemicals, each 1½ millions; leather, 1¼ millions; paper and sugar, each 1 million; glass and china, three-quarters of a million.

Holland is practically a free-trading country. The few duties that are levied are of a fiscal, and not of a protectionist character.

Cities and Towns.—Being a densely populated country, and having extensive manufactures, the Netherlands have many cities and towns of importance.

Amsterdam, situated near the Zuyder Zee, at the confluence of the small river Amstel with an arm of that gulf, is the largest city of Holland. The greater part of this city is built on piles, and, like most other Dutch cities, it is intersected by canals, which are crossed by numerous bridges. The characteristic industry, which employs 10,000 people, is the cutting and polishing of diamonds, for Amsterdam is one of the principal diamond markets of the world. The other great industries are sugar refining, manufactures of gold, silver, cotton, silk, pigments, and chemicals. There are also numerous dockyards, breweries, and distilleries. Amsterdam is larger than Birmingham, but does not contain so many people as Manchester.

Rotterdam, the second city in size, and the chief port of Holland, is situated on the River Meuse, about twenty miles from its mouth. It has numerous canals, and is protected from the sea by enormous dykes. The industries include ship-building, gin-distilling, sugar-refining, brewing, and manufactures of soap, oil, gold, and silver. Great quantities of butter, cheese, large numbers of cattle, sheep, and swine are exported to England. Rotterdam is a little larger than Belfast.

The Hague, thirteen miles north-west of Rotterdam, and situated a few miles from the coast, is the political capital. The place possesses little commercial consequence, although it has a few foundries, breweries, and gin-distilleries. Fishing is the occupation of a large part of the inhabitants, who number 180,000.

Foreign Possessions.—The Dutch foreign possessions are in the East and West Indies, the former being the more important.

The most valuable of the Dutch East Indies are the islands of Java and Madura. These islands, taken together, have a population of nearly 26 millions, all but a small fraction of whom are of native races. There are dense forests of teak, but the principal field-productions are coffee, sugar, rice, cotton,

tobacco, and tea. Rice is the largest crop, being the principal food of the dense population; sugar and coffee, however, are the most valuable exports. The island of Java has long been famous for its coffee, and most of the plantations are owned by agents of the home government, the natives being obliged to work on the coffee plantations for about a month in each year. The export of coffee and other produce is chiefly to the Netherlands.

Batavia, a seaport of Java, is the capital of the Dutch East Indies.

Borneo, which has valuable coal mines, exports sugar, spices, gutta-percha, and camphor. The greater part of this vast island is claimed by the Dutch.

Sumatra has mines of coal, iron, lead, silver, copper, gold, and jewels. In Banca, a neighbouring island, are mines of excellent tin. Spices, particularly nutmegs and cloves, are the chief productions of the Moluccas, or Spice Islands. The western half of New Guinea is claimed by the Dutch.

The Dutch West Indies consist of Surinam, or Dutch Guiana, and Curaçoa.

Surinam, a district on the north coast of South America, is half as large again as Scotland, and has about as many inhabitants as Westmoreland, mainly negroes. Its principal productions are sugar, cocoa, coffee, and rum. Paramaribo is the capital.

Curaçoa is an island off the coast of Venezuela, which produces cotton, sugar, and a cordial flavoured by a peculiar species of orange.

There are British consular representatives at Amsterdam, Dordrecht, Flushing, Groningen, the Hague, Harlingen, Helder, Rotterdam, Ter-Neuzen, and in nearly all the colonies of Holland, whilst Holland is represented in more than fifty towns in the United Kingdom.

There is a regular mail service twice a day, via Flushing, and a similar one via Belgium. The time of transit is twelve hours to Amsterdam, and ten hours to Rotterdam. The cost of telegrams is 2*d.* per word.

HOME CONSUMPTION. (Fr. *Consommation intérieure*, Ger. *einheimischer Verbrauch*, Sp. *Consumo del (en) país.*)

This includes—

(1) Goods consumed in the country where they are produced.

(2) Foreign goods which have been placed in a bonded warehouse on importation, until the duty is paid, in order that they may be brought into consumption.

HOME USE ENTRY. (Fr. *Sortie de l'entrepôt pour consommation*, Ger. *Begleitzettel*, Sp. *Autorización para sacar del depósito.*)

A Custom House document used when dutiable goods are to be removed from a warehouse for home consumption.

HONDURAS. The middle republic of Central America. Its area is 43,000 square miles, and the population about 500,000. The exports consist chiefly of fruits, cattle, mahogany, hides, rubber, coffee, and sugar. The mineral wealth of the country is considerable, though little developed. There is a short strip of coast-line on the Pacific, but the greater portion of the republic stretches along the Caribbean Sea for a distance of 400 miles. The only railway, a 42-inch gauge, runs from Puerto Cortez, and is intended to connect the Atlantic with the Pacific. The capital is Tegucigalpa.

Great Britain has consuls at Amapala, Omoa, Tegucigalpa, and Truxillo, whilst Honduras is represented at Birmingham, Cardiff, Glasgow, Liverpool, London, and Southampton.

There is a regular fortnightly mail service via Panama. The time of transit is eighteen days. The cost of telegrams is 3*s.* 9*d.* per word.

HONDURAS, BRITISH. British Honduras, or Belize, is situated on the shore of the Caribbean Sea, between Yucatan and Guatemala. The country is not developed, and the population is scanty, there being just over 30,000 people in an area about equal to that of Wales. The chief industry is cutting and exporting timber, chiefly cedar, mahogany, and rosewood.

Mails are despatched every Wednesday. The time of transit is about eighteen days. Telegrams, which cost 3*s.* 9*d.* per word, are forwarded by post from New Orleans.

HONG. (Fr., Ger. and Sp. *Hong.*)

The name given by the Chinese to any factory belonging to European merchants in Canton. The Hong merchants were, previous to the wars with England, ten or twelve natives, who alone were legally entitled to trade with foreigners, or "the outer barbarians."

HONG KONG (BRITISH). Hong Kong is a city of China, situated on an island in the estuary of the Canton River. The population numbers about 240,000, 95 per cent. of whom are Chinese. The splendid harbour is a British naval station, and the island has a strong garrison of Sepoy regiments. Hong

Kong is one of the greatest coaling-stations in the world, and has steamship communication with Europe, Australia, and the United States. Owing to its excellent situation, Hong Kong commands the foreign commerce of southern China, the actual trade of the settlement being 20 millions sterling annually. The great articles of export are tea and silk; of import, opium and cotton goods.

Mails are despatched weekly to Hong Kong, via Brindisi or Marseilles. The time of transit is twenty-nine days. The cost of telegrams is 5*s.* 6*d.* per word.

HONORARY. (Fr. *Honoraire*, Ger. *Ehren-, unbesoldet*, Sp. *Honorario.*)

This signifies the holding of a title or an office without receiving any fee or salary. The payment to a barrister, and formerly to a physician, since he is supposed to give his services, and cannot sue for his fees, is called an "honorarium."

HONOUR. (Fr. *Honorer, faire honneur à*, Ger. *einlösen, honorieren*, Sp. *Honrar.*)

In commercial circles this signifies the due meeting of some claim or obligation, as the acceptance and payment of a bill of exchange when it becomes due.

HORSE-POWER. (*Force de cheval, force de . . . chevaux*, Ger. *Pferdekraft*, Sp. *Caballos de fuerza.*)

The standard used for estimating the power of a steam-engine. According to the theory of Watt and Boulton, it is the force required to raise 33,000 lbs. avoirdupois through one foot in a minute. It is now generally considered that this estimate is too high.

HOUSE. (Fr. *Maison*, Ger. *Firma, Haus*, Sp. *Casa, Razon Social.*)

This name is applied not only to a dwelling, but also to a firm or trading concern.

On any inhabited house, occupied as a farm-house, public-house, coffee-shop, shop, warehouse, or lodging-house, the following duties are payable:

	In the £
If the annual value is £20, but does not exceed £40 . . .	2*d.*
Exceeds £40, but does not exceed £60	4*d.*
Exceeds £60	6*d.*

Other houses, not included in the list, pay duties of 3*d.* 6*d.* and 9*d.* respectively.

HULK. (Fr. *Carcasse*, Ger. *Schiffsrumpf*, Sp. *Casco.*)

An old ship which is unfit for service and used as a store, etc.

HULL. (Fr. *Coque*, Ger. *Casco*, Sp. *Casco.*)

The body of a ship, as distinguished from the masts, spars, rigging, etc.

HUNDRED-WEIGHT. (Fr. *Quintal*, 50 *kilogrammes*, Ger. *Centner*, Sp. *Quintal.*)

One of the terms of avoirdupois weight, and generally expressed by the abbreviation cwt. A hundred-weight contains 112 lbs., and is subdivided into four quarters, each containing 28 lbs. The French quintal is equal to 220.46 lbs., and the Zollverein centner to 110.23 lbs.

HUSBAND AND WIFE. (Fr. *Epoux et épouse*, Ger. *Ehemann und Frau*, Sp. *Marido y esposa.*)

The relationship of husband and wife is considered in law as a contract. In most respects the ordinary law of contract attaches to marriage. In one important respect, however, there is a difference. A marriage is quite legal in England, if it is solemnized, provided the husband is over fourteen years of age and the wife twelve. These are the ages of consent of the parties themselves, and there is now no necessity to obtain the assent of parents or guardians to constitute a valid marriage. But this is entirely on the assumption that the domicile of the parties is English. If the domicile of either of the contracting parties is not English, the law of the domicile must prevail, and the marriage may or may not be valid. A wife acquires the domicile of her husband as soon as she is married, and the domicile of the husband is the domicile of the wife so long as the marriage tie lasts. If the husband changes his domicile, that of the wife is changed also. This matter becomes all important in matrimonial causes. The court will not act to grant a divorce suit in England unless the parties are domiciled in the country, and a husband may prevent his wife from obtaining a release from him by changing his domicile before the suit is heard. But residence of the wife is enough to give the court jurisdiction in cases of judicial separation.

The agreement of two parties to marry is a contract of betrothment. The promise of each is the consideration for the promise of the other. But though parties may marry during their minority, no action can be taken on a contract of betrothment against the party who is a minor. The minor, however, can sue if the other party to the contract is over age. Mere ratification after the attainment of twenty-one years of a promise to marry made during

minority is not enough to make the contract binding. There must be a new promise. The promise need not be in writing, but the plaintiff's evidence must be corroborated in some material particular.

A married man may be sued on a breach of promise to marry, if the woman was unaware of the fact that he was married.

The right of action on a breach of promise does not pass to the executors or administrators of a deceased person unless it is shown that the plaintiff's estate has suffered special damage, which damage was in the contemplation of the parties at the time of the making of the promise.

By the common law husband and wife were considered one for almost all purposes. Subject to any settlements made, a husband was entitled on marriage to take the rents arising out of any real property held by his wife, and he became the absolute owner of any personal property which belonged to her, either at the time of or after the marriage. These rights are preserved as to those parties who were married before 1883; but a radical change has been made in the law as to those who have been married on or since the first day of that year. The Married Women's Property Act, 1882, has placed married women in a position of comparative independence so far as their property is concerned. For the purposes of contract they are no longer considered as one with their husbands. They contract entirely as to their separate estate, and they can enter into contracts with their husbands as with other other persons. The effect of their contracts made since the Act of 1882, and the amending Act of 1893, is to give married women considerable advantages without any of the disadvantages which attach to other persons. The principal are these :—

(*a*) A married woman only contracts as to her separate estate. If she has no separate estate a creditor is helpless, unless she is in trade.

(*b*) She cannot be committed on a judgment summons.

(*c*) She cannot be made a bankrupt unless she is trading apart from her husband.

For her own protection the property of a married woman is often so settled upon her that she can neither touch the capital, nor assign or charge the income arising from it. This is called a "restraint against anticipation." It only lasts so long as the marriage tie continues. A restraint against anticipation will not affect the rights of creditors to whom a married woman was indebted at the time of her marriage, and in certain cases the court may remove it if it is shown to be for the benefit of the married woman that this should be done.

It does not necessarily follow that marriage creates a kind of agency, empowering the wife to contract in her husband's name and to bind him when she has no separate property of her own. He is only bound when he has given her authority, express or implied, to pledge his credit. The authority will generally be presumed, so far as necessaries are concerned, when the parties are living together. The wife is, in fact, considered to be the husband's domestic agent. But this presumption may be rebutted. A husband may show that his wife is well supplied with necessaries, or the money with which to purchase them; that he has forbidden her to pledge his credit; that he has forbidden the plaintiff to give her credit; or that the credit has been given to the woman herself, and not to him as principal. If the parties are living apart the burden of proof is on the creditors to show that the husband is still liable to support his wife, which he must be if the parties have separated by mutual consent, and she is not otherwise provided for. But where the wife is living in adultery, the husband is freed from all responsibility. The question of the agency of a wife depends very largely upon the facts of the particular case. If the husband has once held her out as an agent, he will have great difficulty in displacing the presumption that she has continued to be so.

A husband is still liable to be joined as a defendant with his wife where she has committed a tort. For example, if a wife publishes a libel or a slander, her husband may be sued for damages for the same. In criminal law, except in the gravest cases, there is a presumption that the wife acts under the compulsion of her husband, and if she is indicted with him she cannot be punished.

The husband must maintain his wife and the children of the marriage, as well as any other children which she may have had before marriage. If he is unable to do so, the responsibility devolves upon the wife, and any separate property she may possess can be taken to support the husband, children and

grandchildren, if necessary.

The father is generally entitled to the custody and control of his children, and to have them educated in his religion. He may forfeit his rights by misconduct. On his death the mother becomes the guardian of the children, either alone or in conjunction with any other guardian or guardians appointed by the father.

In the absence of a will, and subject to the terms of any settlement, the rights of a husband in the property of his deceased wife are that he is absolutely entitled to the whole of her personal estate, and to a life interest in her real estate, provided a child has been born capable of inheriting. If the husband dies intestate, the rights of the widow vary according as there are or are not any children of the marriage. If there are no children the widow, after the creditors have been satisfied, takes the whole of the estate, if its value does not exceed £500, and if it exceeds that sum, then she takes £500 and one-half of the residue of the personal estate. If there are children, the widow's share is one-third of the personal estate. In either case she is entitled to a life interest in one-third of the real estate left by her husband, unless this right, called "dower," has been barred.

Any settlements made between a husband and wife as to the property of either of them may be rectified after a decree has been pronounced dissolving their marriage.

HYPOTHEC. (Fr. *Hypothèque*, Ger. *Hypothek*, Sp. *Hipoteca.*)

In Scottish law this is a security in favour of a creditor over the property of his debtor while the property continues in the debtor's possession. It is further used to include what is called in English law a lien, when goods, documents, etc., are in the possession of the creditor.

HYPOTHECATE. (Fr. *Hypothéquer*, Ger. *hypothekieren*, Sp. *Hipotecar.*)

To place or assign property as security under an agreement; to pledge or to mortgage.

HYPOTHECATION. (Fr. *Contrat hypothécaire*, Ger. *Verpfändung*, Sp. *Contrato hipotecario.*)

The act by which property is hypothecated, that is, pledged or mortgaged.

I. This letter occurs in the following abbreviations :—

Ib., Ibidem—in the same place.

Id., Idem—the same.

Inst., Instant—of the present month.

Int., Interest.

Inv., Invoice.

ICELAND. (See *Denmark.*)

IMPERSONAL ACCOUNTS. (Fr. *Comptes fictifs*, Ger. *Sachkonto*, Sp. *Cuentas ficticias.*)

In book-keeping, these are the accounts which deal with things and not with persons, as charges account, cash account, goods account, etc. They are often known as nominal accounts.

IMPORTATION. (Fr. *Importation, Entrée*, Ger. *Einfuhr, Import*, Sp. *Importación.*)

The act of bringing goods into one country from another.

IMPORTERS. (Fr. *Importateurs*, Ger. *Importeure*, Sp. *Importadores.*)

The persons who are engaged in the importation of goods.

IMPORTS. (Fr. *Importation*, Ger. *Einfuhrwaren*, Sp. *Importaciones.*)

The goods brought from a foreign country in the way of commerce.

The United Kingdom is largely dependent upon other countries, not only for food, but for raw materials and natural products for the purpose of manufacture and re-exportation. The names, nature and the places of production of the principal animal, mineral, and vegetable articles of commerce are given under *Commercial Products.*

IMPOSTS. (Fr. *Impôts*, Ger. *Auflage, Steuern*, Sp. *Importaciones.*)

Taxes, especially those levied on imports.

IN BALLAST. (Fr. *Sur lest*, Ger. *ohne Ladung*, Sp. *En lastre.*)

When a vessel leaves a port without cargo she is said to be in ballast, as she carries some kind of weight—gravel, sand, etc.—to give her stability.

INCH. (Fr. *Pouce*, 2½ *centimètres*, Ger. *Zoll*, Sp. *Pulgada.*)

A linear measure, the twelfth part of a foot, and equal in length to three barleycorns.

INCOME. (Fr. *Revenu*, Ger. *Einkommen*, Sp. *Renta.*)

The gain, profit, interest or revenue arising from a business or other source.

INCOME TAX. (Fr. *Impôt sur le revenu*, Ger. *Einkommensteuer*, Sp. *Derechos de renta*).

A tax in the form of a poundage, levied upon incomes arising from property, professions, trades, offices, etc. It was first imposed by Sir Robert Peel in 1842, and its rate has varied greatly. From 8*d.* in the £ in 1898 it rose to 1*s.* 3*d.* in 1902; in 1903 it was reduced to 11*d.*

The incomes subject to taxation are

those derived from any source in the United Kingdom, whether by residents therein or not, and those derived from sources outside the United Kingdom, but received in the United Kingdom. It makes no difference whether the recipients are subjects or aliens.

For purposes of convenience taxable incomes are divided into five classes or schedules :—

Schedule A.—Incomes from property in lands and buildings.

Schedule B.—Incomes from the occupation of certain lands.

Schedule C.—Incomes by way of interest and dividends arising out of the public funds.

Schedule D.—Incomes by way of profits from professions, trades or other callings.

Schedule E.—Incomes by way of annuities, salaries, etc., payable out of the revenue or the funds of public companies.

The tax under Schedule A is payable by the owner of the property, and is based upon the assessment of the annual value of the lands. Relief is given in certain cases in respect of this schedule to the extent of one-sixth of the assessment. Where the property consists of quarries or ironworks, gasworks, canals, docks, etc., the profit of the preceding year is taken as the basis for the calculation of the income tax ; where it consists of mines, the average profit of the five preceding years is the basis.

Under Schedule B the tax is payable in respect of the occupation of farms, etc., and a deduction of one-third of the annual value is allowed.

Under Schedule D a return must be made annually by traders and others showing their profits :—

(1) Upon the annual average of the three preceding years, either ending on April 5 preceding the date of the return, or the date immediately preceding such April 5 to which the accounts of the trade, etc., have been made up.

(2) If the trade, etc., has been set up or commenced within three years, upon the annual average from the date of the commencement of the same.

(3) If the trade, etc., has been commenced within the year of assessment, the profits are to be estimated in accordance with the knowledge and belief of the person making the return, in which case the grounds upon which the amount has been estimated must be stated.

The deductions permitted to be made in the calculation of profits are fully set out in the forms supplied by the commissioners. They are in the main working expenses connected with the trade or profession of the person assessed for taxation.

Incomes not exceeding £160 are exempt from taxation. After £160, certain abatements are allowed, as follows :—

	Abatement.
Income exceeding £160, not exceeding £400 . . .	£160
Ditto £400, Ditto £500 . .	£150
Ditto £500, Ditto £600 . .	£120
Ditto £600, Ditto £700 . .	£70

When the total joint income of a husband and wife does not exceed £500, a wife can separate her claim for exemption or abatement from that of her husband on account of profits derived from any business carried on by means of her own personal labour, provided the husband is assessable under schedule D, and that his income is unconnected with the business of his wife. Premiums paid for the insurance of a husband or wife may be deducted from taxable income, if not exceeding one-sixth of it.

INCONVERTIBLE PAPER CURRENCY. (Fr. *Papier-monnaie inconvertible*, Ger. *nicht konvertierbares Papiergeld*, Sp. *Papel moneda inconvertible.*)

Paper money which cannot be converted into cash at its face value on demand, but which must be accepted as representing the value printed upon it.

When paper money is inconvertible it usually falls in value, since it is uncertain whether the obligation of the issuer will be carried out. In reality the paper is at a discount, though it is often said under such circumstances that gold and silver are at a premium.

INDEMNITY. (Fr. *Indemnité*, Ger. *Entschädigung*, Sp. *Indemnidad.*)

Compensation for loss or injury. Contracts of fire, marine, and accident insurance are examples of contracts of indemnity. An indemnity must be carefully distinguished from a guarantee, on account of the different legal requirements of the two. (See *Guarantee.*)

INDENT. (Fr. *Commande*, Ger. *Auftrag*, Sp. *Orden por contrato.*)

The commercial name given to an order for goods from an agent or correspondent abroad, with full particulars and conditions as to price, etc. These orders were formerly written on forms torn in a zigzag fashion from a counterfoil, the idea being to detect forgery

or fraud. Hence the name, which is derived from the same origin as the more familiar term "indenture." Owing to the spread of telegraphic communication, and the rapid diffusion of information as to prices, etc., indents do not now differ much from ordinary orders for goods.

INDENTURES. (Fr. *Contrats, Engagements*, Ger. *Kontrakte*, Sp. *Contrato, Carta partida.*)

Written agreements or contracts between two or more parties. These were originally written in as many parts as there were parties, and the edges were indented so as to correspond with and fit into each other.

INDEX. (Fr. *Table des matières, index*, Ger. *Inhaltsverzeichnis*, Sp. *Indice.*)

A table of the subjects contained in a book arranged in alphabetical order.

INDIAMAN. (Fr. *Malle indienne*, Ger. *Ostindienfahrer*, Sp. *Traficante con India.*)

An obsolete term, once used as the name of a ship engaged in the East Indian trade.

INDIA. *Extent and Boundaries.*—The British Empire in India extends over a territory larger than the continent of Europe, except Russia. The political boundary of India marches with Persia from the Arabian Sea to the Hari Rud river; then with the Russian Empire as far as the river Oxus; thence along the Oxus up to the Victoria Lake. From this point the frontier touches the Chinese Empire mainly along the crests of the Himalayas, until the limits of French control on the Upper Mekong are reached. Leaving the Mekong, the frontier marches with Siam until it reaches the sea half-way down the Malay peninsula.

Beyond the sea, the Indian Empire includes:—

(1) The Andaman and Nicobar Islands in the Bay of Bengal;

(2) The Laccadive Islands, in the Arabian Sea;

(3) Aden, on the coast of Arabia. (See *Aden.*)

(4) Perim, at the entrance of the Straits of Bab-el-mandeb;

(5) The Somali coast Protectorate, in East Africa; and

(6) Protectorates over Socotra, Bahrein, and over the various chieftains along the coast of Arabia, from Aden to the Persian Gulf.

Continental India, including Baluchistan, but excluding Afghanistan, has an area of about 1,700,000 square miles, of which about three quarters of a million square miles are under native administration. The population of the empire is over 294 millions, 66¾ millions belonging to the native states. The British residents number about 100,000.

Configuration.—Excluding the province of Burma, which lies to the east of the Bay of Bengal, and forms no part of the peninsula of Hindustan, the country may be divided broadly for geographical purposes into three sections:—

(1) The Himalayan region;

(2) The northern river plains; and

(3) The southern table-land of the Dakhan.

The Himalayan Region.—All true mountain systems have one side steeper than the other. Thus, the great Himalayan chain falls, by slow degrees and numerous terraces, towards the frozen sea, but drops down suddenly towards the plains of India and the valley of the Ganges.

The Himalayan chain stretches, in an irregular line, from the defile above Kashmir, on the north-west, through which the river Indus penetrates, to the plains of the Punjab, to the southern bend by which the Brahmaputra enters India; the total length of the chain being about 1,200 miles and the breadth about 150 miles. It is traversed by a few lofty passes, of which the Karakoram, more than 18,000 feet above the sea, and the loftiest road on earth, is the most important. The usual time taken to cross the chain here is sixty-five days, during twenty-five of which the road is never below the level of 15,000 feet. In some places along this pass there are only patches of snow in summer.

The most important passes are shown in the following table:—

Passes	*From*	*To*
The Kandriball Pass	Kashmir	Leh
The Karakoram Pass	Leh	Tibet
The Gang-tang Ghat	Sirinugur	Chabrang
The Niti-Ghat	,,	,,
The Mastang Pass	Nepal	Tibet
The Lachen and Lachoong	Darjiling	Lhasa

A great part of the Himalayas is always covered with snow, and the higher valleys contain the largest glaciers in the world. The altitude of the snow-line varies from about 15,500 feet high, on the southern side of the range, to about 18,000 feet high on the northern side.

To the west of the Himalayas is the Hindu Kush, consisting of several ranges, the Sulaiman Hills, and the Hala Mountains. These form the boundary

between Hindustan and Western Asia. Here there are four passes, easy of access, which are in the hands of the paramount power.

Passes.	*From*	*To*
Kyber Pass	Peshawar	Jelalabad
Kuram, Shutagardan, and Khurd Kabul Passes	River Indus	Kabul
Gomul Pass	Gomul	Kandahar
Bolan Pass	Shikarpur	Quetta

The Northern River Plains.—The northern river plains, lying at the foot of the Himalayas, and stretching from sea to sea, comprehend the rich alluvial lowlands watered by the Indus, the Ganges, the lower course of the Brahmaputra, and their tributaries. The richest, the most populous, and the most prosperous parts of India are to be found in the basins of these three great rivers. The Ganges is not only the great highway of Bengal, it is also its water-carrier and fertilizer.

To the westward is the Indus river, which, for 1,800 miles, flows through a valley of great fertility; although, owing to bars and other obstructions, this river is not navigable. It is from the name of this river that the people of India are known as Hindus, and their country is called Hindustan.

In the east are the Ganges and Brahmaputra rivers, which unite, their mouths forming the great delta of the Ganges. The Ganges flows to the south-east through very fertile valleys. It is 1,500 miles long, and is navigable for two-thirds of the distance.

The Brahmaputra is an important highway of commerce, being several miles wide in the lower part of its course. Both the Ganges and the Brahmaputra bring down vast quantities of mud, with which they have built up their enormous delta.

The Southern Tablelands of the Malva and Dakhan.—The southern half of Hindustan is a lofty triangular table-land, comprising the plateaux of the Malva and the Dakhan, separated by the Vindhya Mountains. Much of the surface consists of sheets of lava, poured out under water, and to this is owing the tabular form of the country and the gorges produced by the action of water on the cracks in the lava sheet. The Dakhan is terminated towards the sea by the Eastern and Western Ghats, which meet in the Nilgiri Hills. These run close to the coast. The soil of the Dakhan is fertile, but liable to drought. Water, stored in tanks and reservoirs during the rainy season, is used throughout the rest of the year.

Coast-line.—The coast-line of Hindustan, which is almost unbroken except by the gulfs of Cutch and Cambay, is known by different names in different parts.

The Orissa Coast lies between the delta of the Ganges and the mouth of the Godavari.

The Golconda Coast lies between the mouths of the rivers Godavari and Krishna.

The Karimandal Coast lies between the mouth of the Krishna and Palk's Passage.

The Malabar Coast is the name given to the south-western shores of Hindustan between Goa and Cape Comorin.

Productions.—The climate of Hindustan is tropical on the plains, and a great variety of crops is raised. The northern plain yields two harvests in a year; the chief food crops being wheat, barley, maize, millet, various pulses, or pod crops, and rice. As rice requires much moisture for its cultivation, it is raised chiefly in the great river valleys and along the western coast. Contrary to the generally received opinion, this grain is the principal diet of only a small proportion of the total population. The Hindus depend for most of their food supply upon millet and the other seed crops which do not require a heavy rainfall.

The tea-plant is reared in Assam, a north-eastern province of Hindustan; the opium-poppy is cultivated in many parts of the Ganges valley, and jute is grown throughout the vast delta of the same river. In the north-west cotton, indigo, sugar, and oil-seeds are raised extensively.

In the Dakhan, cotton, dye-stuffs, and spices are raised for export, while the various small grains are grown for food.

Much of the hill-side country, comprising nearly one-twelfth of the whole area, is covered with forest and jungle. The cutting of timber is regulated by the Government, and teak, a wood highly valued for ship-building and other purposes, is most in demand.

The mineral wealth of India is nearly all confined to the Dakhan, in the northern third of which are rich coal mines. There are eighty collieries, having a yearly output of 2 million tons. The coal district of Raniganj and Bardwan, on the Ganges, supplies the greater portion of Bengal. The other minerals found are iron, gold, copper, and salt. Mysore

yields most gold; the region round Delhi most copper, and the Punjab most salt.

Commerce.—Under British influence India has developed wonderfully, and become of great importance to the commercial world, both as a producer and a consumer. Since the year 1840 the imports have increased nine-fold, and the exports seven-fold. The commerce is under British control. By a good railway system the producing centres of India have been brought into closer communication, and many districts distant from the coast can thus dispose of their products to advantage.

The sea-borne foreign commerce of India has an annual value of about 142 millions sterling, taking the value of the rupee at 1*s.* 4*d.*

The imports, chiefly from the United Kingdom, amount to about 64 millions sterling. Of these cotton goods and yarn form nearly one-third of the whole value; the other great items being metals and metal goods of all kinds, oils, sugar, woollen goods, silk and silk goods, coal, dyes, glass, salt, spices, precious stones, and tea.

The exports, valued at 78 millions sterling, consist in order of value of cotton, raw, yarns, and goods; rice; jute, both raw and manufactured; tea, opium, seeds, hides and skins, indigo, coffee, and wool, both raw and manufactured; lac, wheat, sugar, both raw and refined; teak, silk, both raw and manufactured; oils and spices. The rice and opium go mainly to China and the East India Islands.

India raises a bushel of wheat per head of her population, most of which is required for food and seed, but the rest is exported, chiefly to the United Kingdom.

The overland trade with adjoining countries amounts to a little over 7 millions sterling annually, the imports slightly exceeding the exports. This trade is chiefly carried on with Nepal, the Shan States, Kashmir, Kandahar, Zimme, Kabul, Tibet, etc.

Railways.—The chief railways of India are—

(1) The north-western line from Calcutta, through Patna, Benares, Allahabad, Cawnpore, Agra, Delhi, and Lahore to Peshawar.

(2) An important line from Bombay meets the north-western railway at Allahabad. Bombay is also connected with Madras by rail.

(3) The Punjab Railway connects Karachi with Haidarabad and Lahore, and also sends out a branch to Sibi and Quetta in British Baluchistan.

Provinces.—British India comprises the following eight provinces:—

Province.	*Chief Towns.*
1. Madras	Madras, Trichinopoly, Madura, Calicut, Tanjore.
2. Bombay	Bombay (city and island), Puna, Surat, Ahmedabad, Karachi.
3. Bengal	Calcutta (with Howrah and suburbs), Patna, Dacca, Gaya, Murshidabad.
4. North-West Provinces and Oudh	Allahabad, Benares, Lucknow, Cawnpore, Agra.
5. The Punjab	Lahore, Delhi, Amritsar, Peshawar, Multan, Rawal-Pindi.
6. Central Provinces	Nagpur, Jabalpur.
7. Burma	Rangoon, Mandalay.
8. Assam	Gauhati, Sylhet, Shillong.

In addition to the above, Berar, Ajmere, Coorg, British Baluchistan, the Andaman and Nicobar Islands, are entirely under British control.

The Native States are very numerous, and vary much in size, from Haidarabad, which is as large as Italy, to a single village.

Madras.—Madras, a province in the south-eastern part of the peninsula, is larger than the United Kingdom, and has over 250 inhabitants to the square mile. This province has no good natural harbour; that at the city of Madras having been constructed at vast expense. The land is not naturally fertile, and the province has little mineral wealth.

Madras, the capital, takes rank as the third seaport of the Indian Empire. It has a population greater than Birmingham.

Bombay.—The province of Bombay, including Aden and Perim, is slightly larger than the United Kingdom, and has a population of about 19 millions. It has many fine natural harbours, the most important of which are Bombay and Karachi. Cotton is largely produced for export and for manufacture.

Bombay, on an island, the capital, has the best harbour in India, and excellent railway communications with the interior. It is the second city of India, having a population nearly equal to that of Calcutta. Cotton manufacturing is the chief local industry.

Puna is another large city of Bombay,

and Karachi is a great wheat-exporting port.

Bengal.—Bengal, including the lower part of the basin of the Ganges, contains as much land as the United Kingdom would do if there were two Scotlands. The population is very dense, the average being 470 people to the square mile. For the most part, this province is a great alluvial rice-producing plain. The chief products, besides rice, are opium, indigo and jute.

Calcutta, the capital of the province and of the Indian Empire, stands on the Hugli river, a branch of the Ganges, about eighty-five miles from its mouth. It contains nearly a million people, and is, next to London, the largest city in the British Empire. There are extensive manufactures of jute and of the coarser cotton fabrics. The exports include these products, besides tea and opium, to a great annual value.

Patna, on the Ganges, is an important place, a depository for wheat, oils, opium, rice, and indigo.

North-West Provinces and Oudh.—The North-West Provinces and Oudh, having a population equal to the German Empire, on less than half its area, comprise the upper part of the great plain of the Ganges. The productions of this province resemble those of Bengal; wheat, indigo, cotton, sugar, opium, and oil seeds are grown for export. Tea is also cultivated on the lower slopes towards the Himalayas. The capital of the North-West Provinces is Allahabad; that of Oudh is Lucknow.

Lucknow is quite a modern city, wealthy and prosperous, and very picturesque. It is noted for its manufactures of gold and silver, for its jewellers, gold-enamelling, gold and silver wire drawing, gold and silver lace, brocades, and embroidery. It contains about half as many people as Glasgow.

Benares, the fifth city of British India in size, population and importance, is a great distributing centre of trade and commerce, and is noted for the manufacture of ornamental brass work, as well as for its silks, shawls, embroidery, and brocades.

Cawnpore contains rather more people than Newcastle-upon-Tyne. It is noted for its manufactures of leather and cotton goods.

Allahabad, standing at the junction of the Jumna with the Ganges, a city having a population rather less than that of Newcastle-upon-Tyne, is a great corn and cotton mart.

Agra, finely situated on the river Jumna, a well-built town, with 10,000 more people than Portsmouth, is the most interesting place in India, and an important trading centre.

The Punjab.—The Punjab, or "five rivers," with an area about 10,000 miles less than that of the United Kingdom, and a population of about 21 millions, is an agricultural province, depending largely upon artificial irrigation for its harvests. There are rich deposits of rock-salt, which, with wheat and cotton, form the chief exports.

Delhi, on the Jumna, a city with a population about equal to that of Salford, is the point of convergence of the railway lines between Calcutta, Peshawar, and Bombay.

Lahore, the capital of the Punjab, a city with a population rather less than that of Newcastle-upon-Tyne, occupies an important position just where the railway from Karachi joins the main-line between Peshawar and Calcutta.

The Central Provinces.—The Central Provinces of India, with an area nearly equal to that of Great Britain, and a population equal to that of Holland and Belgium combined, possess large coal-fields, excellent iron-ore, and export rice, wheat, and cotton.

Nagpur, the capital, a city with a population nearly equal to that of Blackburn, stands on the railway which runs across the Central Provinces.

Burma.—The thinly peopled province of Burma has an area equal to that of Sweden, with a population equal to one-fifth that of the United Kingdom. The delta country of Lower Burma is flat, but above Prome the country is hilly. Rice, the principal product of the delta region, is largely exported; and so is teak, which comes from the forests of both Upper and Lower Burma, from the Shan States, and from Siam. Upper Burma is rich in minerals, including gold, silver, rubies, jade, iron, lead, tin, coal, and petroleum.

Mandalay, a rather more populous city than Newcastle-upon-Tyne, once the capital of the Burmese empire, is now united by railway with Rangoon.

Rangoon, having a population rather less than that of Newcastle-upon-Tyne, is, after Calcutta, the busiest port in the Bay of Bengal, exporting rice and teak, and receiving British manufactured goods intended for the interior and for the province of Yunnan, in China.

Assam.—Assam, with an area rather less than that of England, exclusive

of Wales, and a population of 5¼ millions, includes the most important tea-growing districts of India. The mineral resources of this province are very rich, including coal, petroleum, iron, and limestone.

Mails to India are despatched every Friday evening. The time of transit is to Bombay fourteen and a half days, to Calcutta, seventeen days, to Madras, seventeen days, and to Rangoon, twenty-four days. The cost of telegrams is 2*s.* 6*d.* per word.

INDORSE. (Fr. *Endosser*, Ger. *indossieren*, *girieren*, Sp. *Endosar.*)

To write on the back of any legal or commercial document, thereby assigning or giving one's sanction to the paper.

It has been held that a signature on the face of a bill, purporting to be of the same effect as an indorsement, is a valid indorsement.

INDORSEE. (Fr. *Porteur*, Ger. *Indossat*, Sp. *Portador.*)

The person to whom a bill of exchange, a bill of lading, etc., is assigned by way of indorsement, giving that person a right to sue thereon.

INDORSEMENT. (Fr. *Endos*, Ger. *Indossament*, Sp. *Endoso.*)

(1) The act of indorsing, or writing on the back of a bill or other commercial document in order to transfer it.

(2) That which is written upon the back of a bill or other commercial document.

If the document is a negotiable instrument, the indorsement coupled with the delivery of the same, transfers the property in it to the indorsee. If it is not a negotiable instrument the indorsee obtains no better title to it than the transferor had.

An indorsement of a bill of exchange, including a promissory note or cheque, in order to operate as a negotiation must comply with the following conditions:—

(1) It must be written on the bill itself, or upon an allonge or a copy thereof (in a country where copies are recognized), and be signed by the indorser. The simple signature, without any additional words, is sufficient.

(2) It must be an indorsement of the entire bill. A partial indorsement, i.e., an indorsement which purports to transfer to the indorsee a part only of the amount payable, or which purports to transfer the bill to two or more indorsees severally, does not operate as a negotiation of the bill. But although a partial indorsement, which purports to split the right of action on a bill, is invalid as a negotiation, it may operate as an authority to receive payment of the amount thereby specified.

(3) Where a bill is payable to the order of two or more payees or indorsees who are not partners, all must indorse, unless the one indorsing has authority to indorse for the others.

(4) Where, in a bill payable to order, the payee or indorsee is wrongly designated, or his name is mis-spelt, he may indorse the bill as therein described, adding, if he thinks fit, his proper signature.

(5) Where there are two or more indorsements on a bill, each indorsement is deemed to have been made in the order in which it appears on the bill, until the contrary is proved.

An indorsement may be made in blank or special, or it may contain terms making it restrictive, qualified, or conditional.

A "blank" indorsement is one which specifies no indorsee, and a bill so indorsed becomes payable to bearer. When a bill has been indorsed in blank, any holder may convert the blank indorsement into a special indorsement by writing above the indorser's signature a direction to pay the bill to or to the order of himself or some other person.

A "special" indorsement specifies the person to whom, or to whose order, the bill is to be payable. A bill so indorsed can only be negotiated by that person's indorsement. If a special indorsement follows an indorsement in blank, the special indorsement controls the effect of the blank one.

A "restrictive" indorsement is one which prohibits the further negotiation of the bill or which expresses that it is a mere authority to deal with the bill as thereby directed, and not as a transfer of the ownership thereof, e.g., "Pay D. only," or "Pay D. for the account of X," or "Pay D. or order for collection." Such an indorsement gives the indorsee a right to receive payment of the bill and to sue any party thereto, provided the indorser could have sued him, but no power to transfer his rights as indorsee unless expressly authorized to do so. If the restrictive indorsement authorizes a further transfer, all subsequent indorsees take the bill with the same rights and subject to the same liablities as the first indorsee under the restrictive indorsement.

A "qualified indorsement" expressly

negatives or limits the personal liability of the indorser. A common indorsement of this kind is one to which the words "*sans recours*" are added.

A "conditional indorsement" is one which purports to transfer the bill subject to some condition. The condition may be disregarded by the payer, and payment to the indorsee is valid, whether the condition has been fulfilled or not. This does not, however, affect the position of the indorser and indorsee in respect of the condition itself.

The transfer of a bill payable to order by a holder, without indorsing it, only gives to the transferee such rights as were possessed by the transferor. The court may compel a transferor to indorse a bill if he improperly refuses to do so.

A forged or unauthorized indorsement is wholly inoperative, and no holder of a bill can acquire any right through the same. An authorized indorsement not amounting to a forgery may be ratified. A banker is liable for paying a bill under a forged indorsement unless the bill is one drawn on a banker payable on demand, or the payee is a fictitious or non-existent person, or the person against whom it is sought to enforce payment is precluded from setting up the forgery.

The indorsement of a bill by a party who has no capacity to incur a liability on it, e.g., an infant or a corporation, does not invalidate the instrument. All other parties thereto remain liable.

Indorsements on a bill may be struck out at any time by a holder. The striking out, if done intentionally, discharges that indorser, and all indorsers subsequent to him, from their liabilities on the instrument.

INDORSER. (Fr. *Endosseur*, Ger. *Indossant*, Sp. *Endosante.*)

The person by whom a bill of exchange, a cheque, a bill of lading, etc., is indorsed. To complete the contract delivery of the instrument is essential.

The indorser of a bill of exchange by indorsing it engages that on due presentment it shall be accepted and paid according to its tenor, and that if it is dishonoured he will compensate the holder or a subsequent indorser who is compelled to pay it, provided that the requisite proceedings on dishonour are duly taken. He is precluded from denying—

(*a*) To a holder in due course the genuineness and regularity in all respects of the drawer's signature and all previous indorsements.

(*b*) To his immediate or a subsequent indorsee that the bill was at the time of his indorsement a valid and subsisting bill, and that he had then a good title to it.

An indorser may qualify his liability in several ways. (See *Indorsement.*)

INFANT. (Fr. *Mineur*, Ger. *der* or *die Unmündige*, Sp. *Menor.*)

A person who, by reason of his age, has but a limited legal capacity. By English law the age of majority is fixed at twenty-one, and all persons who are below that age are called infants or minors. Since the law takes no notice of a portion of a day, an infant legally completes his twenty-first year at the commencement of the day preceding his twenty-first birthday. For many purposes, in connection with the law of real property, an infant is legally supposed to be born at the moment of conception.

An infant below the age of seven is not criminally responsible. Between seven and fourteen he cannot be convicted of certain offences. After fourteen he is no more exempt than an adult.

Infancy is no defence to an action founded in tort—that is a wrong committed independently of contract.

A father is bound to support his infant children if he is able to do so, and the same is true of the mother, if she is of ability. But there is no legal obligation on either to pay a debt incurred by the infant, unless responsibility has been assumed or authority given, even though the debt has been incurred for necessaries.

It is the right of the father to have the custody of his infant children, and to have them educated in his own religion. But since the welfare of the children is the paramount consideration, the court may in certain cases, where the conduct of the father is shown to be such that he is an unfit person to have charge of his children, refuse to allow him either of these rights. On the death of the father, the mother is the legal guardian, and is entitled to the custody of her infant children. She can act either alone, or in conjunction with any other guardian or guardians appointed by her husband. If the father and mother are divorced, or judicially separated, it is the ordinary practice to give the custody of the infant children to the innocent party, subject to such conditions of access as seem just and expedient to the court.

The court assumes a very wide jurisdiction in the case of infants who are entitled to property on coming of age,

It will empower the trustees of any settlement, where proper provision has not been made for the education, maintenance, and advancement of the infants, to do such things as may appear to be for their benefit. Extensive powers have been conferred by the Conveyancing Act, 1881, so far as the income of the settled funds is concerned; but these powers may be extended to the settled fund itself if it is shown to be for the benefit of the infants that this should be done.

The legal position of an infant as to contracts is set out under *Contract*. In other matters an infant's position is as follows:—

(1) Action. An infant plaintiff must sue by a person who is known as his "next friend," and where an infant is defendant in an action a guardian *ad litem* is appointed. A guardian *ad litem* is not responsible for costs properly incurred in a suit, but a "next friend" cannot escape in the same manner. The only exception to this rule is where an infant sues in a county court for wages due to him. He does not then require a "next friend."

(2) Administration. An infant cannot act as administrator, since he is unable to be bound by the bond which an administrator must give to faithfully administer the estate. If, therefore, the right of administration devolves upon him, the court will appoint an administrator *durante minore ætate*, to act during the infant's minority.

(3) Agency. Since an agent does not exercise his own powers, but only those delegated to him by his principal, an infant may always be appointed as agent. But he cannot act as proxy for a creditor in bankruptcy proceedings, nor for a contributory in winding-up procedure.

(4) Bankruptcy. It is doubtful whether an infant can ever be made bankrupt, even for a judgment debt founded on a tort. If he is a member of a partnership firm, the whole of the proceedings in bankruptcy are taken without including him.

(5) Bills of Exchange. An infant cannot incur any liability upon a bill of exchange in any capacity, even though the consideration is the price of necessaries supplied to him.

(6) Companies. An infant may sign the memorandum of association and hold shares in a joint-stock company. He cannot, however, be sued for calls until he has attained his majority. He can avoid his liability by repudiating the shares either before he comes of age, or within a reasonable time afterwards.

(7) Executorship. An infant who is appointed executor cannot act so long as he is a minor. If there are other executors, they can act without him, so long as he is under incapacity; but if he is sole executor an administrator with the will annexed must be appointed to act during the minority, and the infant must prove the will as soon as he comes of age.

(8) Limitation of Actions. The periods of six, twelve, or twenty years do not begin to run against an infant until he has attained his majority.

(9) Partnership. An infant may be a partner, but his liability in case of bankruptcy is limited. All proceedings are taken without including him. But the whole of the partnership assets are available for the creditors, including the infant's share in the same. The creditors cannot, in case of deficiency, make any claim upon the separate estate of the infant.

(10) Will. An infant cannot make a will unless he is actually engaged in military service, or is a mariner at sea.

IN FORMA PAUPERIS. A person may obtain permission to sue *in formâ pauperis*, that is, as a pauper, if he can satisfy the court that he has a good cause of action, and that he is not worth £25 in addition to the value of his clothes and the subject matter of his action. The former must be certified by a signed opinion of counsel, and the latter by affidavit. When a person is permitted to sue in this fashion the court may assign a counsel and a solicitor, who are bound to act gratuitously, and who cannot refuse to do so without showing good reason.

INGOT. (Fr. *Lingot*, Ger. *Barren*, Sp. *Barra*.)

The name which was formerly applied to the mould or matrix into which molten metal was poured for the sake of forming it into bars. It is now used exclusively to denote the bars themselves. Conventionally, ingot is applicable to bars of the precious metals only, gold and silver, others being simply called bars.

INHABITED HOUSE DUTY. (See *House.*)

INJUNCTION. (Fr. *Arrêt de suspension*, Ger. *Interlaut, Verbot*, Sp. *Injuncción judicial.*)

A form of judgment issued chiefly out of the Chancery Division of the High Court. An injunction forbids a

person or persons to do certain things, and it is the relief granted to a suitor in such cases as the infringement of a patent or copyright, trespass upon land, or any other similar matter where money damages could not possibly compensate an aggrieved party for the loss which might arise or the hardship or nuisance suffered. Refusal to obey an injunction renders the person in default liable to committal for contempt of court. When the form of judgment orders a person to do a certain thing, which order must be obeyed under the same pains and penalties as an injunction, it is called one of "specific performance."

INLAND BILL. (Fr. *Lettre de change sur l'intérieur*, Ger. *inländischer Wechsel*, Sp. *Letra de cambio sobre el interior.*)

A bill of exchange drawn and payable within the British Islands, or drawn within the British Islands upon some person resident therein. (See *Bill of Exchange.*)

INLAND MONEY ORDERS. (Fr. *Mandats sur l'intérieur*, Ger. *inländische Postanweisungen*, Sp. *Giro mutuo.*)

Inland Money Orders are used for transmitting money from one part of the kingdom to another. They are in printed form and are filled in with particulars, so that the party to whom the money is payable may be identified at the other end.

INLAND TELEGRAMS. (Fr. *Télégrammes à l'intérieur*, Ger. *inländische Telegramme*, Sp. *Telegramas para el interior.*)

Inland Telegrams are those which are sent and received from any part of the United Kingdom.

INNKEEPER. (Fr. *Aubergiste*, Ger. *Gastwirt*, Sp. *Posadero.*)

The keeper of a house where a traveller is furnished with everything he has occasion for while on his way.

An innkeeper is bound by the custom of the realm to receive as a guest any traveller who conducts himself properly, and is ready to pay for his accommodation, at any hour of the day or night, so long as there is room in the inn. A refusal renders him liable to an action, or he may be indicted. He is not compelled, however, to allow the traveller to remain indefinitely. As soon as the character of a traveller has been lost, the guest may be compelled to leave, on reasonable notice being given.

Whilst the relationship of innkeeper and guest remains, the liability of the former for the safe keeping of the goods of the latter is very great at common law. The inkeeper is, in fact, responsible for all losses, except those arising by the act of God or the king's enemies, unless it is clearly shown that such losses have arisen through the fault of the guest himself.

To limit this heavy liability the Innkeepers' Act, 1863, was passed. Under this Act an innkeeper is never bound to pay more than £30 for losses or injuries to goods brought by a traveller to his inn except—

(1) Where the goods lost or injured are "a horse or other live animal, or any gear appertaining thereto, or any carriage."

(2) Where the goods have been stolen, lost, or injured through the wilful act, default, or neglect of the innkeeper, or of one of his servants.

(3) Where the goods have been expressly deposited with the innkeeper for safe custody. An innkeeper may require, as a condition of his liability, that the goods shall be deposited in a box or other receptacle, and fastened and sealed by the depositor.

If an innkeeper refuses to accept goods for safe custody he is not entitled to the protection of the Act, and he is likewise outside its protection unless an exact copy of the first section of the Act, printed in plain type, is posted up in a conspicuous part of the entrance hall of the inn. With respect to horses, carriages, etc., no liability will rest upon him if the guest himself gives specific instructions as to the custody and pasturage of the same.

An innkeeper cannot detain the person of his guest in default of payment of his bill, nor seize any of the clothes which he is wearing. But he has a lien upon all goods brought by the guest to the inn, whether they belong to the guest or not. And he has also a lien upon goods hired and sent to the guest, unless the innkeeper knew that they were actually hired and were not the property of the guest. In a general way a lien does not carry with it a right of sale, but by the Innkeepers' Act, 1878, authority is given to sell by public auction any goods, chattels, carriages, horses, wares, etc., deposited or left at an inn by a customer indebted to the innkeeper for the amount of his board and lodging, or for the keep and expenses of any horse or other animals. Before such sale can take place, however, the goods, etc., must have remained in the charge of the innkeeper for six weeks, and one month at least before the sale an advertisement must

be inserted in one London newspaper, and in one country newspaper circulating in the district where the goods were left, giving notice of the sale.

The only duties and obligations of an innkeeper referred to in this section are those which arise out of contract. Those which have reference to the granting of licences, the conduct of an inn, and other similar matters are not treated of. The following provision, however, of the Licensing Act, 1872, may be noticed. Where an innkeeper dies before the expiration of his licence, or where he is adjudged a bankrupt, the heirs, executors, administrators, or assigns in the first case, and the trustee in bankruptcy in the second, may continue the business without incurring any penalties during the period which must elapse before a transfer of the licence can be effected.

INSCRIBED STOCK. (Fr. *Actions inscrites*, Ger. *Inscriptionen*, Sp. *Valores inscritós.*)

This means stock for which no actual certificates are granted to the holders, but whose names and the amount of the stock they hold are inscribed in a register kept for the purpose, either at the Bank of England, the office of the Crown Agent for the Colonies, or some other bank where the stock was issued. Such stock can only be transferred by the holder, or his representative appointed by power of attorney, signing the register that he has assigned his right to some other person.

INSOLVENT. (Fr. *Insolvable*, Ger. *Insolvent, Bankerott*, Sp. *Insolvente.*)

A person who is unable to pay his debts as they become due in the ordinary course, or whose liabilities exceed his available assets.

INSPECTING ORDER. (Fr. *Ordre d'inspection*, Ger. *Besichtigungsschein*, Sp. *Autorización de inspección.*)

This is a letter written by parties having goods for sale, which are lying at some dock or wharf, requesting the superintendent to allow the bearer to inspect the goods, and, if necessary, to take a small sample away with him. Inspecting orders are issued in cases where a sample of the goods would scarcely show what the bulk was like, or in cases where a sample would be too large to be carried about.

INSTALMENT. (Fr. *Acompte*, Ger. *Abschlagzahlung*, Sp. *Plazo.*)

One of the parts of a debt paid at a different time to any other part or to the balance. A payment on account.

INSURABLE INTEREST. (Fr. *Intérêt d'assurance*, Ger. *versicherbares Interesse*, Sp. *Interés asegurable.*)

No person can legally effect any insurance in this country unless he has some interest, i.e., pecuniary interest, in the thing insured. It is the possession of this interest which distinguishes a contract of insurance from one of wagering.

The statute 14 Geo. III. c. 48, was passed in 1774, to prevent a "mischievous kind of gaming," and enacted—

"(1) No insurance shall be made by any person or persons, bodies politic or corporate, on the life or lives of any person or persons, or on any other event or events whatsoever, wherein the person or persons for whose use, benefit or on whose account such policy or policies shall be made, shall have no interest, or by way of gaming or wagering; and that every assurance made contrary to the true intent and meaning hereof shall be null and void to all intents and purposes whatsoever.

"(2) It shall not be lawful to make any policy or policies on the life or lives of any person or persons, or other event or events, without inserting in such policy or policies the person or persons, name or names interested therein, or for whose use, benefit, or on whose account such policy is so made or underwritten.

"(3) In all cases where the insured hath interest in such life or lives, event or events, no greater sum shall be recovered or received from the insurer or insurers than the amount or value of the interest of the insured in such life or lives, or other event or events."

The necessity of insurable interest in the case of marine insurance had been provided for in 1776 by the statute 19 Geo. II. c. 37.

There is nothing, however, to prevent a man effecting an insurance upon his own life. And since life insurance is not a contract of indemnity, but an agreement to pay a fixed sum upon the happening of a certain event, there is no limit to the amount for which an insurance upon one's own life can be made. Also, for the same reason, when an insurance is effected by one person upon the life of another, it is only necessary that the interest shall exist at the time when the policy is taken out. For example, a creditor may insure his debtor's life for the amount of his debt, and recover that amount from the insurance office at the debtor's death, even

though the debt has been diminished or extinguished.

Interest, it must be remembered, means pecuniary interest. Such an interest has a man in his own life, and a creditor in the life of his debtor, as has just been stated. A trustee may insure in respect of the interest of which he is a trustee, and a beneficiary may insure the life of his trustee. A wife has an interest in the continuance of the life of her husband, but there is no presumption of a corresponding interest on the part of the husband in the life of his wife, nor of a father in that of any one of his children. This presumption is, however, rebuttable.

In cases of marine insurance it may not be known at the time of effecting the insurance whether the ship insured is in existence. The words "lost or not lost" inserted in the policy make the insurance valid even though the loss occurred prior to the effecting of the insurance, if unknown at the time to the insured.

The following persons have such an insurable interest as is required by law so as to enable them to effect marine insurances:—

(*a*) The ship-owner, and the owners of the goods.

(*b*) A mortgagee of the ship.

(*c*) An insurer, to the extent of his liability.

(*d*) A person to whom freight is payable.

(*e*) The master and the seamen, to the extent of their wages.

In order to avoid heavy losses falling upon them, at any one time upon the happening of one event, insurance companies very commonly re-insure when the property is of a valuable character. One office has always a sufficient insurable interest in any property which has been insured with it to re-insure in another office.

INSURANCE, OR ASSURANCE. (Fr. *Assurance*, Ger. *Versicherung* or *Assekuranz*, Sp. *Seguro.*)

This is a contract whereby one person, called the "insurer" or "assurer," undertakes to indemnify another person, called the "insured" or "assured," against a loss which may arise, or to pay a sum of money to him on the happening of a specified event. The consideration is either a single or a periodical payment, and is called the "premium." In the case of marine insurance the name of "underwriter" is more commonly used than "insurer" or "assurer." The document in which the contract of insurance is contained is termed the "policy of insurance."

The forms of this contract have become very varied, and it is now possible to insure against almost any conceivable risk. The principal, however, are Accident, Fire, Life, and Marine. (See under each heading.)

The main distinction between a contract of insurance and an ordinary wager consists in the fact that the insurer has an interest of a pecuniary nature in the risk against which he insures, a thing which is absent from a wagering contract.

In contracts of insurance every material fact must be disclosed which would be likely to affect the judgment of the insurer. It is not enough that there should be an absence of misrepresentation. If any information, which is within the knowledge of the assured, is withheld, the policy of insurance will be void. The reason for the necessity of full disclosure is that "one of the parties is presumed to have means of knowledge which are not accessible to the other, and is then bound to tell him everything which may be supposed likely to affect his judgment." Contracts which require a disclosure of all material facts and the utmost good faith are said to be *uberrimae fidei*.

A very recent case shows the necessity of the insured taking care that he does not leave the filling up of a proposal form to a third person. A policy of insurance against accidental injury was effected with an insurance company through their local agent. The proposal form was filled up by the agent, many of the answers being false in material respects. The false answers were inserted without the knowledge or authority of the applicant, who signed the proposal form without reading it. The proposal contained a declaration in which the applicant agreed that the statements in the proposal should form the basis of the policy, and the policy contained a proviso that it was granted on the express condition of the truthfulness of the statements in the proposal. The applicant was injured shortly after the insurance had been effected, and in an action to recover the amount insured from the company it was held, first, that it was the duty of the applicant to read the answers in the proposal form before signing it, and that he must be taken to have read and adopted them; and secondly, that in filling in the false-

answers in the proposal the agent was acting, not as the agent of the insurance company, but as the agent of the applicant, and that, therefore, the policy was void.

The principle of insurance is founded on the doctrine of probabilities. The business is generally carried on by companies having a large subscribed capital, by means of which they are able, without difficulty, to meet any heavy loss, while their premiums being proportioned to their risks, their profit is, on an average, independent of such contingencies.

No insurance of any kind can be effected unless the insurer has an "insurable interest" in that which is insured at the time of effecting it.

(See *Fire, Life, and Marine Insurance.*)

INSURANCE BROKER. (Fr. *Courtier d'assurances*, Ger. *Versicherungsmakler*, Sp. *Corredor de seguros.*)

A person who acts as an agent for effecting insurances on ships, cargoes, etc.

INSURANCE POLICY. (Fr. *Police d'assurance*, Ger. *Police*, Sp. *Póliza de seguros.*)

The stamped document upon which the insurance guarantee is written, giving full particulars of all the risks insured against.

INSURANCE OFFICE. (Fr. *Bureau d'assurance*, Ger. *Versicherungsbureau*, Sp. *Oficina de seguros.*)

The following are the names and the principal addresses of the offices which undertake the different forms of insurance business.

Accident.—Absolute, 87, St. James' Street, S.W.

Abstainers and General, City Buildings, Carr's Lane, Birmingham.

Accident, 10, St. Swithin's Lane, E.C.

Builder's Accident, 31 and 32, Bedford Street, Strand, W.C.

Century, 35, Moorgate Street, E.C.; and 24, York Place, Edinburgh.

Commercial Union, 24, Cornhill, E.C.

Employers' Liability, Hamilton House, Victoria Embankment, E.C.

Fine Art and General, 90, Cannon Street E.C.

General (Perth), 42, Tay Street, Perth; and 115, Cannon Street, E.C.

Guardian, 11, Lombard Street, E.C.

Imperial Accident, Live Stock and General, 17, Pall Mall East, S.W.

Lancashire and Yorkshire, 37, Princess Street, Manchester.

Law Accident, 215, Strand, W.C.

Law Union and Crown, 126, Chancery Lane, W.C.

London and Lancashire, 66 and 67, Cornhill, E.C.

London, Edinburgh and Glasgow, Insurance Buildings, Farringdon Street, E.C.

London Guarantee and Accident, 61, Moorgate Street, E.C.

National of Ireland, 3, College Green, Dublin; and 47, Cornhill, E.C.

Northern Accident, 19, West Nile Street, Glasgow; and 23, Coleman Street, E.C.

Norwich and London Accident, St. Giles Street, Norwich; and 114, Cannon Street, E.C.

Ocean Accident, 36-44, Moorgate Street, E.C.

Patriotic, 9, College Green, Dublin; and 69, King William Street, E.C.

Pioneer, 11, Dale Street, Liverpool.

Provident Clerks' Accident, 61, Coleman Street, E.C.

Railway Passengers, 64, Cornhill, E.C.

Rock, 15, New Bridge Street, E.C.

Scottish Accident, 115, George Street, Edinburgh; and 27, Nicholas Lane, E.C.

Scottish Life, 19, St. Andrew Square, Edinburgh; and 13, Clements' Lane, E.C.

Scottish Metropolitan, 25, St. Andrew Square, Edinburgh; and 8, King Street, E.C.

Scottish Temperance, 105, St. Vincent Street, Glasgow; and 96, Queen Street, E.C.

Sun Life, 63, Threadneedle Street, E.C.

Vulcan Boiler, 67, King Street, Manchester; and 3, Eastcheap, E.C.

Yorkshire, St. Helen's Square, York and 2, Bank Buildings, Princes Street, E.C.

Boilers, Steam-pipes and Machinery.—

Engine Boiler and Employers' Liability, 12, King Street, Manchester.

Law Accident, 215, Strand, W.C.

Manchester Steam Users, 9, Mount Street, Manchester.

National Boiler, 22, St. Ann's Square, Manchester.

Scottish Boiler, 111, Union Street, Glasgow.

Vulcan Boiler, 67, King Street, Manchester; and 3, Eastcheap, E.C.

Burglary and Housebreaking.—

Accident, 10, St. Swithin's Lane, E.C.

Ecclesiastical, 11, Norfolk Street, Strand, W.C.

Fine Art and General, 90, Cannon Street, E.C.

General (Perth), 42, Tay Street, Perth; and 115, Cannon Street, E.C.

Guardian, 11, Lombard Street, E.C.

Law Accident, 215, Strand, W.C.

London Guarantee and Accident, 61, Moorgate Street, E.C.

National Burglary, 10, Moorgate Street, E.C.
Norwich and London Accident, St. Giles Street, Norwich ; and 114, Cannon Street, E.C.
Ocean Accident, 36-44, Moorgate Street, E.C.
Cattle.—Horse, Carriage and General, 17, Queen Victoria Street, E.C.
Imperial Accident, Live Stock and General, 17, Pall Mall East, S.W.
Lancashire and Yorkshire, 37, Princess Street, Manchester.
Employers' Liability and Workmen's Compensation.—Absolute, 87, St. James' Street, S.W.
Accident, 10, St. Swithin's Lane, E.C.
Builder's Accident, 31 and 32, Bedford Street, Strand, W.C.
Century, 24, York Place, Edinburgh ; and 35, Moorgate Street, E.C.
Employers' Liability, Hamilton House Victoria Embankment, E.C.
Engine Boiler and Employers' Liability, 12, King Street, Manchester
Fine Art and General, 90, Cannon Street, E.C.
General (Perth), 42, Tay Street, Perth. and 115, Cannon Street, E.C.
Guardian, 11, Lombard Street, E.C.
Lancashire and Yorkshire, 37, Princess Street, Manchester.
Law Union and Crown, 126, Chancery Lane, W.C.
London Guarantee and Accident, 61, Moorgate Street, E.C.
National of Ireland, 3, College Green Dublin ; and 47 Cornhill, E.C.
Northern Accident, 19, West Nile Street, Glasgow ; and 23, Coleman Street, E.C.
Norwich and London Accident, St. Giles Street, Norwich ; and 114, Cannon Street, E.C.
Ocean Accident, 36-44, Moorgate Street, E.C.
Patriotic, 9, College Green, Dublin ; and 69, King William Street, E.C.
Provident Clerk's Accident, 61, Coleman Street, E.C.
Railway Passengers, 64, Cornhill, E.C.
Rock, 15, New Bridge Street, E.C.
Scottish Metropolitan, 25, St. Andrew Square, Edinburgh ; and 8, King Street, E.C.
Sun Life, 63, Threadneedle Street, E.C.
Vulcan Boiler, 67, King Street, Manchester ; and 5, Eastcheap, E.C.
Fire.—Alliance, Bartholomew Lane, E.C.
Atlas, 92, Cheapside, E.C.
British Law, 5, Lothbury, Bank, E.C.
Caledonian, 19, George Street, Edinburgh ; and 82, King William Street, E.C.
Co-operative, Long Millgate, Manchester.
Commercial Union, 24, Cornhill, E.C.
County, 50, Regent Street, W.
Ecclesiastical, 11, Norfolk Street, Strand, W.C.
Essex and Suffolk, High Street, Colchester.
Fine Art and General, 90, Cannon Street, E.C.
Guardian, 11, Lombard Street, E.C.
Hand in Hand, 26, New Bridge Street, E.C.
Imperial, 1, Old Broad Street, E.C.
Law Fire, 114, Chancery Lane, W.C.
Law Union and Crown, 126, Chancery Lane, W.C.
Lion, 83, Queen Street, E.C.
Liverpool London and Globe, 1, Dale Street, Liverpool ; and 7, Cornhill, E.C.
London Assurance, 7, Royal Exchange, E.C.
London and Lancashire Fire, 43, Dale Street, Liverpool ; and 73, King William Street, E.C.
Manchester, 98, King Street, Manchester ; and 96, Cheapside, E.C.
National of Ireland, 3, College Green, Dublin ; and 47, Cornhill, E.C.
North British and Mercantile, 61, Threadneedle Street, E.C.
Northern, 1, Moorgate Street, E.C.
Norwich Union, Surrey Street, Norwich ; and 50, Fleet Street, E.C.
Patriotic, 9, College Green, Dublin ; and 69, King William Sttreet, E.C.
Phoenix, 19, Lombard Street, E.C.
Royal, Royal Insurance Buildings, Liverpool ; and Lombard Street, E.C.
Royal Exchange, Royal Exchange, E.C.
Scottish Alliance, 151, St. Vincent Street, Glasgow ; and 76, Queen Street, E.C.
Scottish Union, 35, St. Andrew Square, Enidburgh ; and 3, King William Street, E.C.
State, Exchange Buildings, Liverpool ; and 13, Abchurch Lane, E.C.
Sun, 63, Threadneedle Street, E.C.
Union, 81, Cornhill, E.C.
Western, Change Alley, Cornhill, E.C.
Westminster, 27, King Street, Covent Garden, W.C.
West of Scotland, 131, St. Vincent Street, Glasgow.
Yorkshire, St. Helen's Square, York ; and 2, Bank Buildings, Princes Street, E.C.
Guarantee.—Absolute, 87, St. James' Street, S.W.
Accident, 10, St. Swithin's Lane, E.C.
Bankers' Guarantee and Trust, 86, King William Street, E.C.

Century, 24, York Place, Edinburgh; and 35, Moorgate Street, E.C.

Co-operative, Long Millgate, Manchester.

Employers' Liability, Hamilton House Victoria Embankment, E.C.

General (Perth), 42, Tay Street, Perth; and 115, Cannon Street, E.C.

Guarantee Society, 19, Birchin Lane, E.C.

Lancashire and Yorkshire, 37, Princess Street, Manchester.

Law Guarantee and Trust, 49, Chancery Lane, W.C.

Liverpool Mortgage, 6, Castle Street, Liverpool.

London Guarantee and Accident, 61, Moorgate Street, E.C.

National Guarantee and Suretyship, 67, George Street, Edinburgh.

National Provincial, 66, Ludgate Hill, E.C.

Northern Accident, 19, West Nile Street, Glasgow; and 23, Coleman Street, E.C.

Norwich and London Accident, St. Giles Street, Norwich; and 114, Cannon Street, E.C.

Ocean Accident, 36–44, Moorgate Street, E.C.

Provident Clerks' Guarantee, 61, Coleman Street, E.C.

Railway Passengers, 64, Cornhill, E.C.

Scottish Accident, 115, George Street, Edinburgh; and 27, Nicholas Lane, E.C.

Scottish Alliance, 151, St. Vincent Street, Glasgow; and 76, Queen Street, E.C.

Sun Life, 63, Threadneedle Street, E.C.

Vulcan Boiler, 67, King Street, Manchester, and 3, Eastcheap, E.C.

Hailstorm. — Alliance, Bartholomew Lane, E.C.

Norwich and London Accident, St. Giles Street, Norwich; and 114, Cannon Street, E.C.

Nurserymen's and Market Gardeners' Assurance, 41 and 42, King Street, Covent Garden, W.C.

Life.—Absolute, 87, St. James' Street, S.W.

Abstainers and General, City Buildings, Cavis Lane, Birmingham.

Alliance, Bartholomew Lane, E.C.

Atlas, 92, Cheapside, E.C.

British Empire, 4 and 5, King William Street, E.C.

British Equitable, Queen Street Place, E.C.

British Legal, 1, Richmond Street, Glasgow.

British Life, 101, St. Vincent Street, Glasgow.

British Natural Premium, 56, Ludgate Hill, E.C.

British Workman's, Broad Street, Birmingham.

Caledonian, 19, George Street, Edinburgh; and 82, King William Street, E.C.

Century, 42, York Place, Edinburgh; and 35, Moorgate Street, E.C.

City of Glasgow, 30, Renfield Street, Glasgow; and 12, King William Street, E.C.

Clergy Mutual, 2 and 3, The Sanctuary, Westminster.

Clerical, Medical and General, 15, St. James' Square, S.W.

Colonial Mutual, 33, Poultry, E.C.

Commercial Union, 24, Cornhill, E.C.

Eagle, 79, Pall Mall, S.W.

Economic, 6, New Bridge Street, Blackfriars, S.E.

Edinburgh, 22, George Street, Edinburgh; and 11, King William Street, E.C.

English and Scottish Law, 12, Waterloo Place, S.W.

Equitable, Mansion House Street, E.C.

Equitable, United States, New York; and 6, Princes Street, Bank, E.C.

Equity and Law, 18, Lincoln's Inn Fields, W.C.

Friends' Provident, 45, Darley Street, Bradford; and 17, Gracechurch Street, E.C.

General, 103, Cannon Street, E.C.

Gresham, St. Mildred's House, E.C.

Guardian, 11, Lombard Street, E.C.

Hand in Hand, 26, New Bridge Street, E.C.

Imperial, 1, Old Broad Street, E.C.

Law Life, 187, Fleet Street, E.C.

Legal and General, 10, Fleet Street, E.C.

Life Association of Scotland, 82, Princes Street, Edinburgh; and 5, Lombard Street, E.C.

Liverpool, London and Globe, 1, Dale Street, Liverpool; and 7, Cornhill, E.C.

London Assurance, 7, Royal Exchange, E.C.

London and Lancashire, 66 and 67, Cornhill, E.C.

London and Manchester, Southwark Exchange, S.E.

London, Edinburgh and Glasgow, Insurance Buildings, Farringdon Street, E.C.

London Life, 81, King William Street, E.C.

Marine and General, 14, Leadenhall Street, E.C.

Methodist and General, 107, Queen Victoria Street, E.C.

Metropolitan, 13, Moorgate Street, E.C.

Mutual of Australasia, Sydney, New South Wales; and 5, Lothbury, E.C.

Mutual New York, New York; and 16, 17 and 18, Cornhill, E.C.

Mutual Reserve, New York; and 79, Cannon Street, E.C.

National of Ireland, 3, College Green, Dublin; and 47, Cornhill, E.C.

National Mutual, 39, King Street, Cheapside, E.C.

National Mutual of Australasia, Melbourne, Victoria; and 75 and 76, Cornhill, E.C.

National Provident, 48, Gracechurch Street, E.C.

New Era, 68a, Leadenhall Street, E.C.

New York Life, New York; and Trafalgar Buildings, Trafalgar Square, W.C.

North British and Mercantile, 61, Threadneedle Street, E.C.

Northern, 1, Moorgate Street, E.C.

Norwich Union, Surrey Street, Norwich; and 50, Fleet Street, E.C.

Patriotic, 9, College Green, Dublin; and 69, King William Street, E.C.

Pearl, London Bridge, E.C.

Pelican, 70, Lombard Street, E.C.

Pioneer, 11, Dale Street, Liverpool.

Provident, 50, Regent Street, W.

Provident Clerks', 27 and 29, Moorgate Street, E.C.

Prudential, Holborn Bars.

Refuge, Oxford Street, Manchester; and 29, New Bridge treetS, E.C.

Rock, 15, New Bridge Street, E.C.

Royal, Royal Insurance Buildings, Liverpool; and Lombard Street, E.C.

Royal Exchange, Royal Exchange, E.C.

Sceptre, 40, Finsbury Pavement, E.C.

Scottish Accident, 115, George Street, Edinburgh; and 27, Nicholas Lane, E.C.

Scottish Amicable, St. Vincent Place, Glasgow; and 1, Threadneedle Street, E.C.

Scottish Equitable, 26, St. Andrew Square, Edinburgh; and 19, King William Street, E.C.

Scottish Imperial, 183, West George Street, Glasgow; and 15, King William Street, E.C.

Scottish Life, 19, St. Andrew Square, Edinburgh; and 13, Clements' Lane, E.C.

Scottish Metropolitan, 25, St. Andrew Square, Edinburgh; and 8, King Street, E.C.

Scottish Provident, 6, St. Andrew Square, Edinburgh; and 17, King William Street, E.C.

Scottish Temperance, 105, St. Vincent Street, Glasgow; and 96, Queen Street, E.C.

Scottish Union and National, 35, St. Andrew Square, Edinburgh; and 3, King William Street, E.C.

Scottish Widows, 9, St. Andrew Square, Edinburgh; and 28, Cornhill, E.C.

Standard, 3, George Street, Edinburgh; and 83, King William Street, E.C.

Star, 32, Moorgate Street, E.C.

Sun, 63, Threadneedle Street, E.C.

Sun Life of Canada, 93, Queen Victoria Street, E.C.

United Kingdom Temperance, 1, Adelaide Place, London Bridge, E.C.

University, 25, Pall Mall, S.W.

Victoria Mutual, Memorial Hall Buildings, Farringdon Street, E.C.

Wesleyan and General, Corporation Street, Birmingham; and 18, New Bridge Street, E.C.

Westminster and General, 28, King Street, Covent Garden, W.C.

Yorkshire, St. Helen's Square, York; and 2, Bank Buildings, Princes Street, E.C.

Yorkshire Provident, 10, Corporation Street, Manchester.

Licences.—Law Guarantee and Trust, 49, Chancery Lane, W.C.

Licences Insurance Corporation, 24, Moorgate Street, E.C.

Commercial Union, 24, Cornhill, E.C.

London Assurance, 7, Royal Exchange, E.C.

Marine.—Most of the marine insurance business is done by private underwriters connected with Lloyd's, and insurances are effected through brokers, who form an important class in London, Liverpool and Glasgow.

Mortgage.—Law Guarantee and Trust, 49, Chancery Lane, W.C.

Liverpool Mortgage, 6, Castle Street, Liverpool.

Ocean, 36–44, Moorgate Street, E.C.

Plate Glass.—Accident, 10, St. Swithin's Lane, E.C.

Ecclesiastical, 11, Norfolk Street, Strand, W.C.

National Provincial, 66, Ludgate Hill, E.C.

Trusteeship and Executorship.—Same as Mortgage.

INTERBOURSE SECURITIES. (Fr. *Obligations internationales*, Ger. *internationale Wertpapiere*, Sp. *Valores internacionales.*)

Securities the loans for which were originally raised simultaneously in different countries. They are dealt in at a fixed rate of exchange, as indicated in the body of the bond. The chief are the Greek, Italian, Portuguese, Russian, Spanish, and Turkish loans.

INTEREST. (Fr. *Intérêt* Ger. *Zinsen*, Sp. *Interés.*)

Money paid for the use of money. It is generally calculated as a certain rate per annum. The money lent is called the principal; the sum per cent. or per hundred agreed upon is the rate of interest.

Though it is true to say that the interest charged is the money agreed to be paid for the use of money, it is nevertheless divisible into two parts, for the rate charged increases as the risk undertaken is greater. Hence, one portion is for the use of the money, the remainder being a compensation for the chance of losing the whole owing to the insecurity of the investment.

Simple interest is computed upon the principal only and is invariable. Compound interest is calculated upon the principal and upon any interest which has accrued due and has not been paid. Compound interest is not favoured by law, since it is the duty of a creditor to demand his interest as soon as it becomes due.

Unless agreed upon by the parties, no interest is allowed by the court except in the following cases:—

(1) Where there is a usage of trade;

(2) Where interest is specially given by a jury;

(3) When a judgment is not immediately satisfied.

INTEREST WARRANTS. (Fr. *Mandats d'intérêt*, Ger. *Dividendenscheine, Koupons*, Sp. *Warrants de intéres.*)

Orders for the payment of periodical dividends on stocks and shares as they fall due. These documents are generally sent through the post to shareholders.

INTERIM DIVIDENDS. (Fr. *Dividendes par intérim* (*intérimaires*), Ger. *Abschlagsdividende*, Sp. *Dividendos provisorios.*)

Dividends declared before the whole amount of the profits of an undertaking for any period has been ascertained.

In the case of a joint-stock company the dividends are declared by the company in general meeting; but provision is often made by the articles of association for the directors to declare dividends before the whole of the profits have been ascertained. If an interim dividend is declared, the shareholders are asked at the next general ordinary meeting of the company to ratify the proceeding before the declaration of a further dividend.

INTERNATIONAL LAW. (See *Conflict of Laws.*)

INTERPLEADER. (See *Fieri facias.*)

IN TRANSITU. (Fr. *En transit*, Ger. *In Transit*, Sp. *En transito.*)

A Latin phrase, signifying in the course of transmission, or on the way.

INVENTORY. (Fr. *Inventaire*, Ger. *Inventar*, Sp. *Inventario.*)

A list of articles, such as furniture, stock, etc., found in a house; a catalogue of furniture and goods.

An inventory is always required to be attached to a bill of sale. It is also the duty of an executor or administrator to make a complete inventory of all the goods, chattels, wares, and merchandise of the deceased.

INVESTMENT. (Fr. *Placement*, Ger. (*Kapital*) *Anlage*, Sp. *Invertir, empleo.*)

Money which is put out at interest in some fund or company, or laid out in the purchase of land, houses, or other property.

INVOICE. (Fr. *Facture*, Ger. *Faktur, Rechnung*, Sp. *Factura.*)

A written statement giving full particulars of the price, nature, and quantity of goods sold or consigned.

There are several different kinds of invoices, the more important of which are as follows:—

(1) A consignment invoice, made use of when goods are shipped to a firm abroad, to be sold on commission for the shipper. The following is the usual heading for a consignment invoice:—

INVOICE of *one case of printed cottons* shipped at *Liverpool* per s.s. *Bombadier* to *Bombay*, and consigned to *Messrs. Cross & Co.*, for sales on account and risk of BERNARD BARTON.

(2) A consular invoice, which must be made out by a merchant who exports goods to the United States, Portugal, Chili, and some of the other republics of South America. Three or four of these documents have to be made up and declared before the consul of the place in the United Kingdom from which the goods are exported. The bales or other packages enclosing the goods must have the words

Made in Great Britain

written or printed upon them, together with a description of the goods, the usual marks and numbers, a declaration of the exporter and a certificate from the consul.

(3) A cost and freight invoice has upon it the price of the goods, the cost of packing and of carriage to the ship, the shipping charges, and the freight to the port of destination.

(4) A cost insurance and freight invoice, abbreviated C.I.F., and pronounced "siff," contains the price of the goods, the cost of packing and of carriage to the ship, the shipping charges, the freight to the port of destination, and the premium of insurance.

(5) An export invoice contains the description, marks, numbers, weight or measure, price, and charges upon the goods shipped.

(6) A franco invoice includes all charges up to the time that the goods are delivered at the door of the purchaser. Franco invoices for the continent of Europe have the quantities expressed in metric weights and measures; the amounts written in the currency of the country to which the goods are consigned, and the wording is expressed in the language of the continental country.

A free alongside invoice, abbreviated F.A.S., contains all prices and charges up to the time the goods are placed alongside the ship.

A free on board invoice, abbreviated F.O.B., includes all prices and charges up to and including the placing of the goods on board ship.

An inland invoice is one used in the home trade, for goods sold and delivered within the United Kingdom.

A loco invoice gives the original cost of goods either at the place of production or port of export. Additional charges to be paid by the exporters are afterwards added.

I.O.U. (Fr. *Reconnaissance*, Ger. *Schuldschein*, Sp. *Vale.*)

A memorandum of debt, a conventional way of writing "I owe you." In form it is generally something like the following:—

"January 1, 1903.

To Joseph Brown.

I.O.U. £50. James Jones."

It is neither a receipt, an agreement, nor a negotiable instrument. It requires no stamp. In an action to recover money lent, the production of an I.O.U. by the plaintiff, signed by the defendant, is evidence of an account stated between the parties, though not of the amount of money lent.

IRELAND. Ireland is the third largest island in Europe, including Iceland. Its area is 32,535 square miles. Its extreme length is 302 miles, and its greatest breadth is 174 miles. The population, in 1901, was 4,456,546.

Mountains.—Ireland may be called a hilly country, since there are few spots where the view is not closed in by hill or mountain scenery. Generally speaking, the mountains stand in groups, and are more or less detached from each other.

The Mourne Mountains of County Down end with Slieve Donard. The Slieve Bloom Mountains, nearly in the centre of the island, run north and south. In this range, sometimes called the Heights of Ireland, the rivers Nore, Barrow, and Suir, commonly called by the country people the Three Sisters, take their rise. In Connaught there is a fine range of mountains, of which the Twelve Pins form a part; and in Munster a ridge of varying height extends from Dungarvan, in the county of Waterford, across the Kingdom, into the county of Kerry.

Wherever the Irish term "Slieve" is applied to a mountain, it indicates that the mountain forms part of a range. The highest mountain in Ireland, Carran Tual, at Killarney, is 3,400 feet above the level of the sea. Mount Nephin, 2,640 feet, and Croagh Patrick, 2,500 feet, are two conspicuous heights in Mayo.

The Mourne, Wicklow, Connemara, Donegal, and Nephin Beg mountains are composed chiefly of granite. The mountains of Kerry, Cork, and Waterford are mostly of old red sandstone, and the mountains of the Central Plain are all flanked with old red sandstone and conglomerate.

Some of the counties of Ireland, although possessing a varied surface, can only boast of hills. Such are Armagh, Monaghan, Cavan, and Louth. Others, as Meath, Kildare, Longford, and Galway are very level. A peculiarity of the hilly and level parts of Ireland is its generally green aspect, which arises from its fertile soil and its moist and temperate climate. It has led to its being described as the "Emerald Isle," and the "Green Isle of the Ocean."

Bogs.—In the lower parts of Ireland, there are various extensive bogs which detract from the beauty of the scenery, and are only useful for supplying fuel to the inhabitants. The largest of these is the Bog of Allen, which stretches, a vast plain, across the centre of the island, or over a large portion of Kildare, Carlow, King's County, and Queen's County. In this bog the beautiful River Boyne rises, flowing thence, to the north-east, to join the sea at Drogheda. Much of the Bog of Allen has been drained and brought into cultivation, and there

is good reason to believe that the whole of it could be reclaimed.

Along the banks of the river Inny, which, rising in Lough Iron, in the county of Westmeath, crosses Longford, and falls into the Shannon, are large tracts of deep wet bog, only exceeded in dreariness by that which, for miles, skirts the Shannon, in its course through Longford, Roscommon and King's County. All these bogs might be reclaimed could they be drained; but that cannot be accomplished while the Inny and the Shannon are kept up to their present level by the numerous weirs which interrupt their courses. There are also many tracts of bog in the western counties, and numerous detached bogs both in Ulster and Munster; but none of such extent as those mentioned above.

Notwithstanding the quantity of water which these bogs retain, there arises from them no exhalations injurious to health. This is due to the large amount of tannin they contain, which possesses so strong an antiseptic quality that dead bodies plunged into a deep bog do not decay, but are preserved like Egyptian mummies.

In most cases the bogs bear evidence to the truth of the statements concerning the woodlands of Ireland. Some supply large quantities of the remains of fir trees, which burn with a pleasant aromatic smell, and a flame so brilliant that it is often used in place of candles. In other bogs only oak is dug up; in others, again, yew of large size is found.

Rivers.—Ireland has many fine rivers, several of which expand to form lakes at various points in their course, and fall into the sea at the heads of spacious estuaries, which are, in every way, suitable for commerce. The principal of these are the Foyle and the Bann, which fall into the sea to the north of Ireland; the Boyne, the Liffey, and the Slaney, which empty themselves into the seas which lie between Ireland and England. The Barrow and the Nore, uniting with the Suir, pour their united streams into Waterford Harbour. The waters of the Blackwater and Lee escape into the ocean at Youghal and Cork respectively. The Shannon, the Moy, and the Erne flow directly into the Atlantic Ocean off the west coast of Ireland.

Lakes.—Among inland lakes, or loughs as they are here called, the largest is Lough Neagh, in Ulster, which exceeds in size any lake in the United Kingdom, its length being about twenty miles, and its breadth from ten to twelve.

The next largest lake is Lough Erne, which is long and narrow, having its surface adorned by many islands. Loughs Melvin and Gill are the most interesting lakes in Leitrim; and in the west of Connaught, Loughs Conn, Mask, and Corrib are fine sheets of water.

There are three large expansions of the Shannon, Loughs Allen, Ree, and Dearg. There are about thirty pools in the mountain glens of county Clare, and Kerry is celebrated for the lovely lakes of Killarney. The noted lakes of Glendalough are numbered among the ten pools of County Wicklow, and West Meath is a region of water.

Geological Structure.—Ireland stretches westward into the Atlantic, and is indented by deep gulfs protected by jutting promontories, which have hitherto withstood the force of the boisterous ocean to which they are exposed. The rocks which form the inner parts of these gulfs are generally composed of carboniferous limestone, while the projecting promontories are made of harder rocks, such as granite, mica-slate, quartz rock, or old red sandstone conglomerates.

In Ireland the coast is mostly mountainous and the interior flat. Thus, we find the Mountains of Antrim on the east coast; those of Derry and Donegal on the north-west coast; those of Sligo and Kerry on the west and south-west. The slate districts of Cork and Waterford form the south and south-east coasts, while the Mountains of Wicklow and the still higher Mourne Mountains are situated nearer the eastern coast.

The interior of the island is, generally speaking, composed of flat, or gently swelling grounds, covered with rich and fruitful soil. This peculiar conformation of the surface of Ireland has been the origin of the great number of rivers with which the country abounds. They have their sources in the mountains, whence they flow directly to the sea.

A vast tract of limestone extends in an almost unbroken line from the northern boundary of County Cork to a point beyond the southern boundary of Ulster. This is intermixed with slates and granite in Down, Armagh, and Wicklow.

The southern coast is composed of limestone, conglomerate, and slates of various colours, which may be distinctly seen along the shores of Cork

and Waterford. The South-Western Highlands are composed of old red sandstone, while the land round the estuary of the Shannon is mainly millstone grit, with a few small areas of coal measures. There are also in Galway, Mayo, and Sligo tracts of slate, quartz rock, yellow sandstone, and conglomerate. The counties of Donegal and Derry are chiefly composed of mica-slate, with an intermixture, in the north-western part of Donegal, of granite, while the county of Antrim is mainly composed of basalt.

Metals and Minerals.—The counties in which anthracite coal is worked are Carlow, Kilkenny (Castle Comer Coalfield), and Tipperary (Killenaule Coalfield). Bituminous coal is worked in Donegal, Derry, and Tyrone, but not as thoroughly as it should be.

Ireland is not rich in useful metals, although a little copper and lead-silver ore are found in the Wicklow Hills, and small quantities of hematite iron ore are dug in the north of Ireland and exported to Scotland to be smelted. The deposit from which this ore is obtained consists of small grains of very rich ore about the size of a pea or bean.

The quarries of Ireland produce a variety of beautiful limestones, as the black marbles of Kilkenny, the green of Galway and the variegated ones of Fermanagh. The quarries of Killaloe and Valentia afford large-sized excellent slates, and an almost inexhaustible supply of granite is found in the hills to the south of Dublin.

Climate.—As scarcely any part of Ireland is more than fifty miles from the sea, the climate is mild, equable and moist. The equable nature of the climate is proved by the fact that delicate plants thrive in the county of Donegal. The southern part of Ireland is considerably warmer than Ulster, and snow seldom lies upon the ground for any considerable time. Spring is earlier, fruit ripens a fortnight sooner, and the corn is ready for harvesting a month before that of Ulster.

The moisture of the climate is its greatest defect; but this varies remarkably in degree. The atmosphere of the western side of Ireland is much more moist than that of the eastern, exposed as it is to the influence of the moist vapours from the Atlantic, which are attracted by the mountains, rest upon their heads, and pour down rain into the valleys.

Vegetable Productions.—The vegetable productions of Ireland in general resemble those of Great Britain. The cultivated plants are identical; but there are some plants peculiar to the flora of Ireland, the more remarkable of which will now be mentioned.

The strawberry tree (*Arbutus unedo*), found at Killarney; the Irish rose (*Rosa Hibernica*), found near Belfast; the Irish yew (*Taxus Hibernica*), and some other plants are peculiar to the Emerald Isle.

Owing to the equability of the climate, arbutus, lauristinus, and myrtle grow luxuriantly even in the north of Ireland. In Cork and Kerry tender shrubs, such as bay, verbenas, and fuchsias, flourish with extraordinary luxuriance.

Domestic Animals.—There were formerly many races of cattle considered exclusively Irish, of which two kinds are still extant; the Kerry breed, which is black, small, and beautifully proportioned; and the old Irish breed, which is usually of a bright red colour, very deficient in beauty, but very valuable for the dairy. The other useful animals are like those of the sister island.

Wild Animals.—Red deer, although scarce, are still to be found among the woods of Killarney, in some of the mountain districts of Kerry, Cork, Tipperary, and Donegal. It is generally believed that there are no reptiles in Ireland, and this is true. Toads and frogs are, however, common. With these exceptions, the fauna is identical with that of Great Britain.

Fisheries.—If the herring fishery were prosecuted off the Irish coasts with anything like the energy of the Scottish fishermen, it is probable that it would prove highly remunerative to those engaged in it; but, as the fish could not be brought to Britain while fresh, curing stations would have to be established, and the fish prepared for foreign markets. A great pilchard fishery might also be established on the south coast. The salmon fisheries of Ireland yield as much as half a million sterling annually.

For manufactures, canals, railways, etc., see *United Kingdom*.

ITALY. *Configuration.*—Italy is a peninsula extending into the Mediterranean Sea from the south of Europe. The lofty chain of the Alps separates it from Switzerland and Austria. On the west and south, its shores are washed by the Mediterranean, and on the east by the Adriatic Sea.

The area of Italy, including the large islands of Sicily and Sardinia, is 110,646 square miles, and its population is 32,449,754. From its northern boundary

to its southern extremity Italy extends about 600 miles. Its greatest breadth does not exceed 300 miles. The Apennines mountain chain extends nearly the whole length from north to south, generally about midway between the east and west coasts.

Soil and Climate.—Throughout the greater part of the country the soil is productive and the climate highly favourable to agriculture, which is the occupation of the majority of the people. More than three-fourths of the total area is capable of cultivation, though much less than half is under tillage. About one-eighth is covered with forests. The climate is generally dry and warm. In the Alpine provinces of the north the winters are severe. An almost tropical heat is a feature of the climate in the extreme south.

Industries.—The principal agricultural products are wheat, maize and rice, hemp, flax, and cotton, and numerous kinds of fruits, including olives, oranges, lemons (from Palermo), figs, dates, and melons. In wine-growing Italy ranks second to France alone, while its product of raw silk largely exceeds that of France. The island of Sicily has been called "one great wheat farm." In the northern province of Lombardy, the cultivation of the mulberry-tree is one of the chief occupations of the people.

The domestic animals are chiefly cattle, sheep, goats, and swine. Large numbers of sheep are raised in the mountain districts. The export of wool is, however, not very great. Most of it is used in domestic manufactures.

Minerals.—In the island of Sardinia there are rich mines of lead, iron, zinc, and copper, but these have not been fully developed. Iron, tin, and lead are found in the small island of Elba, off the north-west coast. The island of Sicily has extensive mines of sulphur in the vicinity of Mount Etna, and this is an important article of export. Italy is famous for its marble, particularly the beautiful white marble of the district of Carrara.

The fisheries of Italy are extensive and profitable. The Mediterranean affords inexhaustible supplies of tunny, anchovies, sardines, pilchards, and mackerel, all of which are caught in immense quantities. Oysters and precious coral are other products of the Italian seas.

The development of manufactures has been retarded by the want of coal, of which hardly any is found in Italy. In recent years, however, the production of iron goods has been increasing. The making of olive-oil is an important and widespread industry. Immense quantities of this product are exported. The manufacture of wine is also very considerable. There are silk factories in the northern provinces, and domestic manufactures of coarse cottons and woollens in nearly all parts of the country. Artistic work in marble and mosaics is a characteristic industry of Italy.

Means of Communication.—There are more than 7,000 miles of railway, a large portion of which belongs to the State. Connection has been formed with the French and Swiss railway systems by two great tunnels through the Alps—the Mont Cenis Tunnel and the St. Gothard Tunnel. Most of the canals are in the northern provinces of Piedmont, Lombardy, and Venice. Many of them are navigable for large vessels. The rivers are, for the most part, navigable only for small boats and barges, but they supply motive power for manufactures. The largest river is the Po, which rises in the Alps, on the French frontier, and receiving numerous tributaries in its course, flows eastward through the fertile plain of Lombardy into the Adriatic Sea.

Commerce.—The foreign commerce of Italy is chiefly with France, Germany, Austria-Hungary and Great Britain. The most valuable exports are raw silk, wine, olive-oil, sulphur, fruits, and fish; and the main imports are grain, coal, timber, and manufactured goods. From the United Kingdom Italy imports goods of the annual value of nearly 7½ millions sterling. Great Britain takes from Italy goods valued at about half that amount.

Commercial Cities and Towns.—Rome, the capital, is situated near the Mediterranean coast, twelve miles from the mouth of the Tiber. Commercially, this city, so famous in ancient times, is of little note. It is nearly as large as Manchester.

Naples (Italian Napoli), situated on the beautiful bay of the same name, is the largest city of Italy. It has considerable manufactures, chiefly of silk, and exports dried fruits, wines, argol (crude tartrate of potash), olive oil, and coral. It is as large as Liverpool.

Genoa, on the north-west coast, has an excellent harbour, and is the chief banking centre and port of northern Italy. The main exports are olive oil, rice, fruits, and silks. The city is about as large as Bradford.

Milan is the principal centre of silk manufacture. It is the third city of Italy in population, and is as large as Birmingham.

Venice, an important and famous seaport on the Adriatic, is built on a cluster of small islands. Its streets are canals, and its vehicles are boats. It has manufactures of mirrors, gold and silver ware, silks, velvets, and laces. Some shipbuilding and sugar-refining are done at this port. Venice is about as large as Dundee.

Great Britain has consular representatives at Brindisi, Cagliari, Florence, Genoa, Leghorn, Messina, Milan, Naples, Palermo, Rome, Spezzia; whilst Italy is represented in the United Kingdom at Dublin, Glasgow, Hull, Liverpool, London, Manchester, Plymouth, Sheffield, and Southampton.

Mails are despatched three times daily. The time of transit is one and a quarter days to Milan, nearly two days to Rome, rather more than two days to Naples, and two and a half days to Brindisi. The cost of telegrams is *3d.* per word.

J. This letter occurs in the abbreviations :—

J/A, Joint account.
Jun. } Junior.
Jr. }

JAMAICA (BRITISH). Jamaica, the largest and most valuable British possession in the West Indies, is in the Caribbean Sea, 100 miles to the south of Cuba. It is about twice the size of the county of Lancashire, but contains only about one-sixth as many people, three-fourths of whom are negroes. The centre of the island is lofty and mountainous, so that many streams descend to the coast. The soil is rich and very productive ; most of the staple products being raised. The chief exports, in order of importance, are fruit, dye-woods, coffee, sugar, and rum; many Chinese and Coolies are employed in the plantations. The chief customers of Jamaica are the United States and the United Kingdom, the former taking twice as much of the exports as the latter, while the United Kingdom supplies five-ninths of the imports, and the United States the remainder. Although situate at a distance of 500 miles from Jamaica, Turk's Island and the neighbouring island of Caicos are attached to the colony. The only export worthy of mention from these dependencies of Jamaica is salt.

Kingston, the seat of government, the largest town and port, with Port Royal the naval station, has almost as many people as Great Yarmouth.

Mails are despatched once a week via Southampton or Bristol. The time of transit is from thirteen to sixteen days. The cost of telegrams is *3s.* per word.

JAPAN. *Position, Area, and Population.*—Japan comprises four large and numerous smaller islands, lying off the east coast of Asia. The Pacific Ocean is on the east of the islands, and between them and the Asiatic mainland is the Sea of Japan.

Hondo is the largest of the islands. Yezo lies to the north of Hondo. The other two of the large islands, Hikoku and Kiushiu, are south of Hondo. Taken together, they have an area of over 160,000 square miles, and the population of the whole country is 44,750,000, three-fourths of whom live in the island of Hondo.

Configuration and Climate.—Japan is, to a great extent, a mountainous country, and many of the mountains are volcanoes. Destructive earthquakes have often taken place, and slight shocks are of frequent occurrence.

In the northern islands the climate is cold. The central island of Hondo has a generally temperate climate, while in Kiushiu, and the other southern islands, owing to the Japan current and the latitude, the climate is semi-tropical.

The prevailing winds of the Sea of Japan are monsoons. The revolving storms, or cyclones, known as typhoons, are peculiar to the Japan and China seas. They occur generally in July, August, or September, and do great damage to property on land, as well as to shipping.

Industries.—About one-eighth of the area of the country is under cultivation. The leading field crop is rice, which forms the chief food of the people. In the south, tea, sugar, and the mulberry are extensively grown.

Among the other agricultural products are tobacco, indigo, and millet. The Japanese are skilled and industrious farmers. Their fields are well kept, and most of the tillage is done with the spade and the hoe.

The forests of Japan cover one-third of its area. They supply useful woods in great abundance, including oak, cedar, pine, maple, and camphor-wood. From the bark and twigs of the paper mulberry the Japanese make paper. From the berries of the vegetable wax

a beautiful white wax is prepared. This is exported in considerable quantities to Great Britain, where it is used in candle-making.

The domestic animals are horses and cattle. The cattle are small but sturdy, and are used only as beasts of draught and burden.

The mineral wealth of the country is very great. Mines of silver, copper, iron, coal, and sulphur are extensively worked. Copper is found in nearly all parts of the islands, and is manufactured into various kinds of household articles, besides being exported. Coal is exported, most of it to Bombay. There are numerous deposits of gold, once busily worked, but now somewhat neglected, because the foreign demand for tea, silk, and other Japanese products has raised the wages of labour.

Though Japan cannot be called a great manufacturing country, the natives have attained a high degree of excellence in many of the mechanical arts. In the production of numerous small articles of use and ornament, they display a wonderful ingenuity and delicacy of workmanship.

Their superior skill and exquisite taste in lacquer-work have long been so widely recognized that the art has everywhere come to be known as japanning. The varnish used by the Japanese in this process is the milky juice of the lacquer or varnish-tree, found in the northern parts of the country. Porcelains and bronzes of beautiful designs and artistic finish are also among the characteristic products of Japanese skill. Silk fabrics are extensively manufactured. Among other industries are the making of paper, glass, and cement. The fisheries give profitable employment to large numbers of people inhabiting the many villages along the coasts. Cod, lobsters, and oysters abound in the numerous bays.

Internal Communication. — Internal communication in Japan has been greatly improved by the extension of railways, which connect the chief commercial cities.

River navigation is used in the transport of merchandise from the interior to the coasts. On some of the rivers small steamers ply for short distances, but flat-bottomed boats are more generally used.

Commerce.—The foreign commerce of Japan has greatly increased within the last thirty years; the present average annual value is 39 millions sterling. Nearly half the total exports consist of silk. Next in importance is tea, nearly all of which goes to the United States. Coal, copper, silk fabrics, dried fish, rice, drugs and chemicals, porcelains, bronzes, and lacquer work are the other great items. The bulk of the imports consist of cotton and woollen goods, machinery, sugar, and petroleum. Most of the foreign trade is with the United States, France, Great Britain, and China, the United States being the largest purchaser from Japan, and Great Britain the largest exporter of goods to Japan.

The value of the articles imported by the [illegible] from Japan is over [illegible], while the articles exported from this country to Japan amount to £10,000,000 sterling, including textile fabrics, £3,250,000 sterling, and metal goods, £3,750,000.

Commercial Towns.—Tokio, formerly called Yedo, the capital of Japan, situated on the east coast of the island of Hondo, has a population of over a million and a quarter. It exports silk, copper, and lacquer work, mostly through the port of Yokohama, with which it is connected by rail.

Yokohama, the seaport of Tokio, is seventeen miles distant from that city. It is the greatest commercial port and the principal distributing centre of the empire. The population is about equal that of Newcastle-upon-Tyne.

Ozaka, an important mercantile city in the south of Hondo, is the centre of a great tea-farming district. The Japanese military arsenal and iron foundries are located there. It is nearly as large as Manchester.

Kioto, the ancient capital, is a beautiful city in the island of Hondo. Bronze goods and porcelain are made here. It is larger than Sheffield.

Nagasaki, in the island of Kiushiu, has one of the finest harbours in the world. The beautiful porcelain, and ornamental work in carved wood and ivory, for which Japan is famous, are largely produced in and near this city. Coal, camphor, and tea are shipped from this port.

Great Britain has consular representatives at Hakodate, Hiogo, Kobé, Nagasaki, Tokio, and Yokohama.

Mails are despatched by various routes once a week. The time of transit is thirty-two days via Vancouver, and thirty-eight days via Suez. The cost of telegrams varies from 6*s.* 2*d.* to 7*s.* 9*d.* per word.

JERQUER. (Fr. *Vérificateur des douanes*, Ger. *untersuchender Zollbeamter*, Sp. *Revisador de aduana.*)

An officer of customs who searches vessels on their arrival in port, to ascertain whether any prohibited or unentered goods liable to duty are secreted on board with a view to their being smuggled into the country.

JERQUING. (Fr. *Visite de douane*, Ger. *Zolluntersuchung*, Sp. *Visita de aduana.*)

The searching of vessels by the jerquer or other officer of customs.

JETSAM. (Fr. *Objets jetés à la mer*, Ger. *Notauswurf*, Sp. *Objetos echados á la mar.*)

Goods thrown overboard in time of peril, and which remain under water.

JETTISON. (Fr. *Jet à la mer*, Ger. *Überbordwerfen*, Sp. *Echado á la mar.*)

The act of deliberately throwing overboard cargo or ship's tackle to lighten the ship in a storm, or when otherwise in danger. All loss which arises in consequence of extraordinary sacrifices made or expenses incurred for the preservation of the ship and the cargo comes within general average, and this must be borne proportionably by all who are interested. (See *Average, General.*)

JOBBERS. (Fr. *Agioteurs*, Ger. *Effektenhändler*, Sp. *Ngiotistas.*)

Dealers in stocks and shares, who act on their own account with other jobbers on the Stock Exchange, and indirectly with the public through stockbrokers, the latter only buying and selling on account of their clients.

JOINT ACCOUNT. (J/A). Fr. *Compte à demi*, Ger. *gemeinschaftliche Rechnung*, Sp. *Cuenta á mitad.*)

An account of the transactions in a particular business or undertaking, where two or more parties or firms combine so as to provide the necessary capital and services, and agree to divide the profits and losses arising out of the same.

JOINT STOCK. (Fr. *Capital social*, Ger. *Gesellschafts-kapital*, Sp. *Capital social.*)

Stock held jointly or in a company.

JOINT STOCK BANK. (See *Bank, Joint Stock.*)

JOINT STOCK COMPANIES. (See *Companies, Joint Stock.*)

JOURNAL. (Fr. *Journal*, Ger. *Journal, Tagebuch*, Sp. *Diario.*)

In book-keeping this is the book which contains an account of each day's transactions, made up from the waste book, and arranged for posting in the ledger. Sometimes it is necessary, in businesses of any magnitude, to break up the journal into various subsidiary books, and the whole of these then comprise what is called the journal. One column always shows the page in the ledger where the entries are to be found.

JOURNALISE. (Fr. *Porter au Journal*, Ger. *Journalisieren*, Sp. *Llevar al diario, entrar al diario.*)

The act of entering up the journal.

JUDGE'S ORDER. (Fr. *Mandat de juge*, Ger. *richterliches Urteil*, Sp. *Órden judicial.*)

An order made by a judge, either of the High Court or a county court, upon any matter brought before him.

JUDGMENT CREDITOR. (Fr. *Créancier autorisé*, Ger. *gerichtlich anerkannter Gläubiger*, Sp. *Acreedor reconocido.*)

A person who has brought an action for debt or damage against another in a court of law, and has obtained judgment for the whole or a part of the amount claimed. The rights of a judgment creditor are—

(1) An action for non-payment of the judgment debt.

(2) Power to issue execution.

(3) Power to issue a bankruptcy notice.

(4) A committal of the debtor to prison under certain conditions.

JUDGMENT DEBTOR. (Fr. *Débiteur condamné*, Ger. *gerichtlich anerkannter Schuldner*, Sp. *Deudor condenado.*)

A debtor against whom a judgment has been obtained, ordering him to pay a sum of money, such order not having been satisfied. A judgment debtor may be examined as to his means, and the judgment creditor may proceed against him by issuing an execution, serving a bankruptcy notice upon him, or getting an order for committal if it is proved that he has had means to pay the amount of the judgment debt since the judgment, and has refused to do so.

JURY. (Fr. *Jury*, Ger. *Schwurgericht*, Sp. *Jurado.*)

A body of men selected and sworn to declare the truth of any particular matter on the evidence placed before them. A grand jury is composed of any number between twelve and twenty-three men; every other jury is composed of twelve, except in the county courts, where the number is five.

Every man between the ages of twenty-one and sixty is liable to serve as a juryman, who—

(1) Has a clear income of £10 a year arising out of landed property, or who is entitled to that amount for his own life or the life of another;

(2) Has a clear income of £20 a year arising out of leasehold lands or tenements held for a term of twenty-one years or more, or for a term terminable on life or lives;

(3) Is a householder rated for inhabited house duty in Middlesex at not less than £30, and in any other county at not less than £20;

(4) Occupies a house with not less than fifteen windows.

Any man who fulfils any of these conditions is qualified, and is liable to serve at all trials, criminal or civil, in the High Court, in the superior courts of the counties palatine, and in any assize court, provided that the trial takes place in the county in which the juror resides. He is also qualified and liable to serve on grand and petty juries at sessions, in his own county. Any burgess of a borough which has a separate court of quarter sessions, or a borough civil court, is liable to serve on the juries of the same, unless he is exempted by reason of age or other infirmity. Aliens can only be called upon to act as jurors, if otherwise qualified, when they have been domiciled in England or Wales for ten years.

A man is qualified to act as a special juryman if his name is on the jurors' book for any county, and he is legally entitled to be called an esquire, or is a person of higher degree, or is a banker or merchant, or occupies a private dwelling-house rated and assessed at not less than £100 in a town containing 20,000 inhabitants or more, and at £50 in a less populous place, or occupies premises other than a farm rated and assessed at not less than £100, or a farm rated and assessed at £300 or more.

A juryman must be duly summoned to appear at any court at least six days before the date fixed for attendance. Unless the notice is regularly and properly served, an absent juror is not liable to any penalty if he fails to attend.

The qualifications for jurymen at coroners' inquests are very wide, and vary in different localities according to custom. There does not appear to be any limit as to age, nor are there any special qualifications required. But it seems that exemptions can be claimed as in the case of other juries.

The remuneration of a special juryman is one guinea for every case in which he is sworn. By arrangement between the parties this amount may be increased when the trial extends over a considerable period of time. A common juror in the High Court or a county court is entitled to one shilling a case, and at most assizes the sum payable is eightpence. In the Mayor's Court, held at the Guildhall, fourpence (the old groat) is paid. There is no allowance made in criminal cases.

Reasonable refreshments, and the use of a fire when out of court, may now be granted by leave of the judge, but at the expense of the jurors. Only in the gravest crimes are jurors prevented from separating during the progress of a trial.

If a name appears on the jury list, no exemption is granted unless the leave of the judge is obtained at the court to which the juror is summoned, or unless he is suffering from illness. The jury lists should therefore be periodically examined to see that names are not improperly inserted. No man who has been convicted of treason, felony, or any infamous crime, unless he has been pardoned, can sit upon a jury, and the following are exempted by Act of Parliament from serving:—

Peers, M.P.'s, judges, clergymen, Roman Catholic priests, dissenting ministers and Jewish rabbis whose place of meeting is duly registered, provided they follow no other occupation except that of schoolmaster, sergeants, barristers, certificated conveyancers, special pleaders, if actually practising, members of the society of doctors of law and advocates of the civil law, if actually practising, attorneys, solicitors and proctors, if actually practising and having taken out their annual certificates, and their managing clerks and notaries public in actual practice, officers of the courts of law and of equity and the clerks of the peace and their deputies, if actually exercising the duties of their respective offices, coroners, gaolers and keepers of houses of correction, and all subordinate officers of the same, keepers in public lunatic asylums, all registered medical practitioners and pharmaceutical chemists if actually practising, officers of the army, navy, militia and yeomanry, while on full pay, the members of the Mersey Docks and Harbour Board, the master, warden and brethren of the Corporation of Trinity House of Deptford Strand, pilots licensed by the Trinity House of Deptford Strand, Kingston-upon-Hull,

or Newcastle-upon-Tyne, and all masters of vessels in the buoy and light service employed by any of these corporations, and all pilots licensed under any Act of Parliament, officers of the post-office, commissioners of customs and inland revenue, and those employed by them in collection and management, sheriff officers, police officers, metropolitan magistrates and their clerks, ushers, doorkeepers, and messengers, members of the council of the municipal corporation of any borough, and the town clerk and treasurer, and every justice assigned to keep the peace therein, so far as relates to any jury summoned to serve in the county where such borough is situated, burgesses of every borough in which a separate court of quarter session is held, so far as relates to a jury summoned for any sessions in the county where the borough is situated, justices of the peace within the place of their own jurisdiction, officers of the Houses of Lords and Commons.

KEEL. (Fr. *Quille*, Ger. *Kiel*, Sp. *Quilla*.)

(1) The lowest part of the frame of a ship or boat.

(2) A unit of weight for coals, equal to twenty-one and one-fifth tons, which is in use among the Tyne ports.

KEELAGE. (Fr. *Droits d'ancrage, Droits de port*, Ger. *Kielgeld*, Sp. *Derechos de quilla*.)

Dues that have to be paid for the keeping of a ship in port.

KEEP HOUSE. (Fr. *Se cloîtrer volontairement*, Ger. *sich fernhalten*, Sp. *Dar con la puerta*.)

A debtor is said to "keep house" if he denies his creditors an interview when they call at reasonable hours. This constitutes an act of bankruptcy.

KENTLEDGE or **KINTLEDGE.** (Fr. *Gueuse, saumon*, Ger. *Ballasteisen*, Sp. *Lingotes de hierro*.)

The name given to the permanent ballast of a ship, which is deemed to be a part of such ship. The ballast generally takes the form of pigs of iron, or some other such weighty material.

KILDERKIN. (Fr. *Demi-baril*, Ger. *Eimer*, Sp. *Media barrica*.)

A small barrel containing eighteen gallons.

KILOGRAMME. (Fr. *Kilogramme*, Ger. *Kilogramm*, Sp. *Kilogramo*.)

The unit of weight in the French metric system, consisting of a thousand grammes. It is equal to 2.20462 lbs. avoirdupois, or a little more than 2½ lbs.

KITE. (See *Accommodation Bill*.)

KITEFLYING. (Fr. *Emission de billets de complaisance*, Ger. *Wechselreiterei*, Sp. *Emisión de letras de acomodación*.)

The dealing in fictitious or accommodation paper in order to raise money or keep up one's credit.

KNOT. (Fr. *Nœud*, Ger. *Knoten Seemeile*, Sp. *Nudo*.)

A nautical mile, equal to 2,208 yards, or one-sixtieth of a degree of latitude.

KOPECK. (Fr. *Copeck*, Ger. *Kopcke*, Sp. *Copec*.)

A Russian copper coin, equal to the hundredth part of a silver rouble. A rouble is of the value of 3*s*. 2*d*. sterling, and a kopeck is therefore almost equivalent in value to one-third of a penny. The intrinsic value of the rouble and the kopeck with silver at its present low price is considerably less.

The word is derived from the name of a lance, as a figure of St. George with a lance in his hand was formerly impressed on the coin.

KOREA. The country embracing the peninsula lying between the Yellow Sea and the Sea of Japan. It has an area of 82,000 square miles, and a population of 10,550,000. The soil, though very fertile, is only partially cultivated. Rice, beans, and all kinds of grain are raised and exported, as well as ginseng, a medicinal root in great favour with the Chinese. Gold, copper, coal, iron, and galena abound in the country, and mining for the first named is carried on by an American company. A railway from Seoul to Chemulpho was opened in 1900, and there is also a government railway from Seoul to Wiju. Three-fourths of the foreigners resident in the country are Japanese, and the major part of the trade is carried on with Japan. The capital is Seoul, and foreign commerce is carried on through the capital and the treaty ports of Chemulpho, Fusan, Yuensan, Chinnampo, Mokpo, Kunsan, Masampho, and Songchin.

Mails are despatched as to China and Japan, the time of transit to Seoul being about forty days. The cost of telegrams varies from 6*s*. 2*d*. to 8*s*. per word.

L. This letter is used in the following abbreviations :—

L/c, Letter of credit.
Led., Ledger.
L.S., *Locus sigilli*—place for seal.
£T., Pounds Turkish.
Ltd., Limited.

LABUAN (BRITISH). An island and British Crown Colony, situated on the

north-west coast of Borneo. The area is thirty-one square miles, and the population about 6,000. There are not more than fifty Europeans in the colony. By arrangement the island is administered by the British North Borneo Company. There are extensive coal beds, and the export of coal is considerable. Other exports include sago, gutta-percha, rubber, and wax.

Mails are despatched regularly every week. The distance of Victoria Harbour, which is the only port and town, from London is about 9,000 miles. The time of transit is thirty days. The cost of telegrams is 4*s.* 10*d.* or 5*s.* per word.

LAC, or LAKH. (*Fr. Lac, lack*, Ger. *Lack*, Sp. *Lac.*

A Hindustani term which, in its original acceptation, is applied to the computation of money in the East Indies. It signifies 100,000. Thus, a lac of rupees is equal to 100,000 rupees, and its value, at the exchange of 1*s.* 4*d.* for the rupee, is about £6,667. A hundred lacs is called a crore.

In Indian notation the commas marking off the periods are placed after the lacs and crores, and not after the thousands and millions. Thus, a lac of rupees is written, 1,00000.

LADING, BILL OF. (See *Bill of Lading.*)

LAGAN. (Fr. *Objets recouvrables par moyen d'une bouée*, Ger. *Wrackgut*, Sp. *Objectos sumergidos atados á una boya.*)

Goods thrown overboard from a ship which sink, but which are buoyed so that they may be subsequently recovered.

LAME DUCK. (Fr. *Spéculateur insolvable*, Ger. *verkrachter Börsenspekulant*, Sp. *Ayente de bolsa declarada insolvente.*)

An expression in use on the Stock Exchange to indicate a defaulter who, being unable to pay his differences, or meet the claims made upon him, is hammered and expelled from the House.

LAND MARKS. (Fr. *Amers*, Ger. *Landmarken, Baken*, Sp. *Escalas.*)

Conspicuous objects which serve as guides to travellers, and for marking out boundaries.

LAND STEWARD. (Fr. *Intendant*, Ger. *Gutsverwalter*, Sp. *Intendente.*)

A person who manages a landed estate for its owner.

LAND TAX. (Fr. *Impôt foncier*, Ger. *Grundsteuer*, Sp. *Contribución territorial.*)

A tax assessed upon land. The quota payable by each parish, as fixed in 1798, less the amount redeemed, is raised by an equal pound rate, the rate of assessment not to exceed 1*s.* in the £. Where the income of the owner of the land does not exceed £160, he is exempt from payment of land tax, and if the owner's income does not exceed £400 one half of the tax is remitted.

LAND TRANSFER ACT, 1897. Under this Act the real estate (except copyholds) of a deceased person vests in the executor or administrator, instead of vesting at once in the devisee or heir-at-law. No change is made in the devolution of realty, in case of intestacy, but the personal representative holds it in trust for those persons who are entitled to it, and those persons have the right to require a transfer of the realty to them as they had previously a right as to the personalty. Consequently, probate and administration are now granted in respect of real estate, even though there is no personal estate.

In the administration the real estate is now liable in the hands of the personal representative for the debts of a deceased person, whether expressly charged or not, and the representative is empowered to deal with the same by way of sale, mortgage or otherwise. But no difference has been made in the order of administration. The residuary personalty is primarily liable, and resort can only be had to the realty when the personalty is exhausted.

Another object of this Act is the compulsory registration of land; but its provisions are such as to make the system of registration quite optional. No land in any county is affected unless an Order in Council has been made to that end. This portion of the Act is now in operation in the whole of the county of London. All ordinary sales of freeholds, all sales of leaseholds having forty or more years still to run, or two or more lives still to fall in, and grants of leases or underleases for the same periods are to be registered. But registration does not apply to a lease created for mortgage purposes, absolute prohibition on registration is as follows. The applicant or his solicitor attends the registry with the deeds relating to the property, and a copy of the same, written on stout paper, for filing. A plan must also be produced. The land is identified on a large scale ordnance map kept at the registry,

and the draft entries for the register are prepared and settled. A land certificate is then drawn up and forwarded to the applicant or his solicitor. The register is private, and no examination can be made except with the authority of the registered owner, or on notice to him.

The offices of the Land Registry are at 34, Lincoln's Inn Fields, but the business of registration is carried on at 6, Portugal Street, and 3, Clement's Inn, for the portions of the county of London lying north and south of the Thames respectively.

LAND WAITER. (Fr. *Douanier*, Ger. *Zollinspektor*, Sp. *Carabinero.*)

An officer of the customs who tastes, weighs, measures, and examines goods liable to duty, and takes an account of them, for the purpose of taxation, on their being landed from a ship; or, in the case of exported goods, who watches over and certifies that the goods are shipped in accordance with the prescribed form. He is also frequently known as a "searcher."

LANDING ACCOUNTS. (Fr. *Comptes de débarquement*, Ger. *Landungsscheine*, Sp. *Cuentas de desembarco.*)

Documents compiled by dock companies and warehouse-keepers respecting goods landed at their wharves, showing—

(1) The ship from which the goods were landed.

(2) The marks, numbers, and weights of the packages.

(3) The date from which the rent commences.

LANDING BOOK. (Fr. *Livre des marchandises débarquées*, Ger. *Landungsbuch*, Sp. *Libro de entradas.*)

A book kept by dock companies and warehouse keepers containing particulars similar to those in landing accounts, and from which the latter are made up.

LANDING ORDER. (Fr. *Ordre de débarquement*, Ger. *Löschschein*, Sp. *Órden de desembarco.*)

A Custom House document addressed to the chief officer of a ship after the importer has passed his entry and paid the duty, if any, upon the goods he is importing, authorizing him to deliver the goods overside so as to permit of their being landed. The goods are inspected by the searcher as they leave the ship, and the landing order is signed by him as showing that the entry has been found correct.

LANDING WEIGHT. (Fr. *Poids au débarquement*, Ger. *Landungsgewicht*. Sp. *Peso de desembarco.*)

The actual weight of the cargo as it is taken out of the ship. The shipowner frequently reserves the right, in a contract of affreightment, of charging the freight upon the weight of the cargo either at the time of shipment or of landing. His choice will depend upon the nature of the cargo—some increasing in weight, others decreasing during transit.

LANDLORD AND TENANT. (Fr. *Propriétaire et locataire*, Ger. *Gutsbesitzer* or *Hausbesitzer und Mieter*, Sp. *Proprietario é inquilino.*)

The relationship of landlord and tenant arises whenever a person who has a legal estate in houses or lands grants to another person a less legal estate in the same in consideration of a payment called rent. In general the same principles of law are applicable to every kind of letting, whether the property dealt with is a piece of land, a dwelling house, a shop or warehouse, or a limited portion of any of them. The principal exceptions are connected with agricultural lettings and leases.

Until the passing of the Statute of Frauds, all leases and agreements as to tenancies could be made by word of mouth. And the same is still true when a lease does not exceed three years from the making, and the rent reserved is at least two-thirds of the improved value of the premises. All other leases, however, were required by the Statute of Frauds to be in writing, and since 1845 all leases which are required to be in writing must be made by deed. But if the tenant does not go into possession at once there must still be some agreement in writing as to the tenancy, in order to satisfy the fourth section of the Statute of Frauds as to an interest in land. For example, if a tenant agrees to take a house for three months commencing next week, and there is no evidence of the same in writing, he will have no right of action against the landlord if the latter refuses to admit him. But if the tenant once gets into possession the parol agreement is quite enough for all purposes.

Since the Judicature Act an agreement for a lease (being properly stamped as a lease) is just as effectual as a deed if the tenant has gone into possession. "A tenant holding under an agreement for a lease, of which specific performance would be decreed, stands in the same position as to liability as if the lease had been executed. He is not, since

the Judicature Act, a tenant from year to year; he holds under the agreement, and every branch of the court must now give him the same rights. There is an agreement for a lease under which possession has been given. Now, since the Judicature Act, the possession is held under the agreement. There are not two estates as there were formerly, one estate at common law by reason of the payment of the rent from year to year, and an estate in equity under the agreement. There is only one court, and the equity rules prevail in it. The tenant holds under an agreement for a lease. He holds, therefore, under the same terms in equity as if a lease had been granted, it being a case in which both parties admit that relief is capable of being given by specific performance."

A tenant in fee simple being as nearly as possible the absolute owner of his land, he can grant leases of any description for any period he chooses, and without any restrictions. A tenant in tail, and a tenant for life, unless under a special power, can only grant an occupation or an agricultural lease for a period not exceeding twenty-one years, a mining lease for sixty years, and a building lease for ninety-nine years. A mortgagor or mortgagee in possession, unless restrained by the mortgage deed, is also able to grant occupation or agricultural leases for twenty-one years, and building leases for ninety-nine years. In other cases the mortgagor and mortgagee must concur in order to make a valid lease. An executor can grant a lease even before probate. A copyholder cannot grant a lease for a longer period than a year without the consent of the lord of the manor. Any attempt to do so is generally a ground of forfeiture.

The contents of a lease will vary greatly with the nature of the property. As in any other document which embodies the terms of a contract, the names of the parties, the property dealt with, the length of the term, and the rent to be reserved must be set forth. The rest of the lease must depend upon the peculiar circumstances of each case, and no general rules can be laid down as to the covenants it should contain. Those will be a matter of arrangement between the landlord and the tenant. They should be set forth with the utmost clearness and certainty, as the decisions of the court as to the meaning of such words as "outgoings" and "impositions" have been somewhat conflicting. The express covenants have reference, in general, to the payments of rates, taxes, etc., to insurance, to repairs and to the uses to which the premises are to be put. It is also a very general covenant on the part of the tenant not to assign or underlet without the consent in writing of the landlord. The words "such consent not to be arbitrarily withheld," are commonly added to the covenant. When this is so the tenant is absolutely compelled to apply to the landlord for his consent in the first instance, if he wishes to assign or under-let. But if the landlord refuses to give his consent, and the assignee or under-lessee is really a responsible person, the assignment or under-letting is good without such consent.

When there is an express covenant on the part of the landlord to repair there is no obligation on him to do the repairs until he has been served with a notice as to the same. The insertion of such a covenant in the lease gives the landlord an implied right to inspect the premises as to the repairs necessary. When the tenant covenants to repair he is bound to give up the premises at the expiration of his lease in the same condition that they were at the date of the lease, allowance only being made for any diminution in value by lapse of time. If the premises are destroyed the tenant must replace them. For that reason a tenant who enters into such a covenant to repair must protect himself by insurance.

But in the absence of express covenants there are certain implied ones. The principal one on the part of the landlord is a covenant for quiet enjoyment, that is, an undertaking that there shall be nothing done to interfere with the peaceful possession on the part of the tenant during the currency of the lease, so far as the landlord himself is concerned, or any person who claims through him, or through whom he claims. But this is not a guarantee that there shall never be any interference at all. A person who has a title paramount to that of the landlord may always evict a tenant of the landlord, seeing that he is in no better position than that of a trespasser. The tenant on his part impliedly covenants to pay rent, and in England, though not in Scotland, he is not freed from this liability, even though the premises are destroyed by fire. The landlord,

moreover, in the absence of any covenant on his part to repair, is under no obligation to restore the premises which have been burned down. In agricultural leases there is an implied covenant on the part of the tenant to keep up the fences and hedges, and to cultivate the land in accordance with the custom of the country. But it is not an implied covenant on the part of the landlord that the premises are fit for human habitation, except in the case of the letting of furnished houses and apartments, and also of tenements under the Housing of the Working Classes Act, 1890.

As a lease is made for a fixed period it is determined by effluxion of time. No notice of its termination is necessary. But it may come to an end earlier by reason of a breach of one or more of the covenants. It is a common practice to insert a clause in a lease to the effect that on a breach taking place the landlord shall have a right of re-entry. If the landlord is able to re-enter peaceably he can terminate the lease by retaking possession. But although he may have this right to re-enter, he cannot use force. His remedy is then an action at law. But in almost every case the court will grant relief against the forfeiture, on the tenant fulfilling his obligations under the covenant and paying the costs occasioned by the breach. But no relief will be granted to a tenant who has been made a bankrupt, or who has assigned or under-let, when there is a covenant in the lease that either of these shall be a cause of forfeiture.

Where a lease has been granted for a period, the tenant holds for his term in spite of any conveyance made by his landlord during the currency of the lease. It is also a rule of law that a tenant may not dispute his landlord's title. If, therefore, a tenant has ever acknowledged a person as his landlord, either expressly or by conduct, he is estopped from denying the same in any proceedings at law that may be taken.

A tenancy from year to year arises when land is let from year to year, or when it is let without any express stipulation to that effect, but with the reservation of a yearly rent, or when a tenant holds over after the expiration of his term, and pays rent for so doing. The courts lean, in the absence of any specific agreement, towards tenancies from year to year, and if there are other circumstances which help them to arrive at such a conclusion, the mere fact that rent is paid half-yearly or quarterly will make no difference. But the mode of paying rent is generally a strong proof of the nature of the tenancy. For example, it would be difficult to set up anything but a monthly or a weekly tenancy when the rent is paid either monthly or weekly.

A letting for "one year certain, and so on for year to year," is a tenancy for two years at least, unless there is a stipulation that the tenancy may be determined at the end of the first year.

A tenancy from year to year is determinable by either landlord or tenant, upon a half-year's notice being given, such notice expiring at the end of the current year of the tenancy. In agricultural lettings, however, a year's notice is required. A monthly tenancy requires a month's notice, and a weekly tenancy a week's notice. In the case of lodgings a reasonable notice only is required, and what is a reasonable notice depends on the circumstances of each particular case.

The notice to quit need not be a written one, but it is much safer not to depend upon a mere verbal notice. The wording should be clear and distinct, so that the tenant cannot be under any mistake as to the object of the notice; but the courts are ready to overlook trifling inaccuracies. A notice must be construed in accordance with the intention of the landlord. But a notice in the alternative, either to quit or pay an increased rent, is insufficient. If it were so worded as to first give the notice, and then to add that in case the tenant did not leave the landlord would demand double rent, the notice would be good. There is no need for the notice to be served personally. It may be left with a servant at the house of the tenant, and its purport explained to him. The great object is to take care that the notice does get into the hands of the tenant, or that he is acquainted with it. It has, therefore, been held a sufficient service to place the notice under the door, or to send it by post. When there has been an underletting, the notice must be served upon the lessee, and not upon the sub-lessee.

A tenancy at will is one which is terminable at the pleasure of either the landlord or the tenant. But unless there is an express agreement that the tenancy is to be one at will, the courts

will always endeavour to construe it as anything but a tenancy at will.

A tenancy by sufferance is one in which possession is taken lawfully, but afterwards continued without leave or objection on the part of the landlord. It most frequently arises when a tenancy has come to an end in the ordinary course, and the tenant continues to hold. A tenant by sufferance cannot be ejected unless the landlord has made a previous demand for possession.

On the expiration of the term of the tenancy it is the duty of the tenant to deliver up possession of the premises, together with all the buildings, erections, and landlord's fixtures. If there has been any under-letting, it is for the tenant to see that his under-tenant is out of that part which has been underlet, for the landlord is entitled to complete possession, and the responsibility of the tenant does not cease until the complete possession has been obtained. The tenant is entitled to take away all fixtures which are known as tenant's fixtures. (See *Fixtures.*)

Mutual Remedies. — (*a*) Landlord against tenant. For the non-payment of rent the landlord has the summary remedy of distress. (See *Distress.*) But if distress has become impossible, owing to any circumstances, the tenant may be sued upon his covenant to pay rent, or the landlord may claim the right to re-enter. It has been already stated that a clause is usually inserted in well-drawn leases providing for the right of re-entry without demand. This gives an immediate right of action. But if there is no such proviso, a proper demand must be made, varying with the nature of the tenancy. When the rent exceeds £50 a year, proceedings must be taken in the High Court, when it is below that amount the county court is the proper tribunal. If, however, the rent does not exceed £20 a year, and the term is for a period not greater than seven years, the landlord may summon the tenant before the justices, who are empowered to issue a warrant authorizing the constable of the district to eject the tenant and give possession to the landlord. For the breach of any other covenant than that of the non-payment of rent the landlord may rely upon his right of action for breach of the covenant, or claim to re-enter.

(*b*) Tenant against landlord. The usual remedy is an action for damages for breach of covenant. Deductions for rent are doubtful remedies, and cannot be relied upon except in three cases: (1) if the landlord has undertaken to pay a tax levied upon the tenant, and has failed to do so; (2) if the tenant has been compelled to pay the landlord's tax, owing to the latter's default; and (3) if the tenant has made payments to protect himself from a distress levied by a superior landlord or from the claims of a mortgagee.

Holding Over.—See next page.

Payment of Poor Rates.—Where premises are let for a less period than three months, the tenant is entitled to deduct the amount paid for the poor rate from his rent, the landlord being bound to allow the deduction. If the tenancy exceeds three months, but the tenant is not in occupation for the whole period for which the poor rate is made, he is only responsible for the part of the poor rate which is proportionate to the time during which he has been in occupation.

Stamps.—Where a lease is made of a dwelling house or any part thereof for a definite period not exceeding one year, and the rent does not exceed £10 per annum, the stamp duty is 1*d.* If the premises let are a furnished dwelling-house or apartments, the rent of which does not exceed £25 per annum, and the term is definite and less than one year, the stamp duty is 2*s.* 6*d.* In all other cases the duty is calculated as follows:—

	For a period not exceeding 35 years.	*Between 35 years and 100 years.*	*Exceeding 100 years.*
	£ *s.* *d.*	£ *s.* *d.*	£ *s.* *d.*
When the rent does not exceed £5 a year . .	6	3 0	6 0
Exceeds £5, and does not exceed £10 . .	1 0	6 0	12 0
Ditto £10, Ditto £15	1 6	9 0	18 0
Ditto £15, Ditto £20	2 0	12 0	1 4 0
Ditto £20, Ditto £25	2 6	15 0	1 10 0
Ditto £25, Ditto £50	5 0	1 10 0	3 0 0
Ditto £50, Ditto £75	7 6	2 5 0	4 10 0
Ditto £75, Ditto £100	10 0	3 0 0	6 0 0
Ditto £100, for every fractional part of £50	5 0	1 10 0	3 0 0

Agreements for leases not exceeding thirty-five years are stamped as leases.

Holding Over.—If a tenant for life or years contumaciously disregards his landlord's written requirements to give up the premises, and wrongfully holds over, he will be liable to pay compensation at the rate of double the yearly value of the premises. This does not apply to weekly tenancies, and it has been doubted whether it applies to quarterly tenancies. In the calculation of the double value only the land and its appurtenances are included. If a tenant holds over after he has himself given notice, he will be liable to pay compensation at the rate of double the yearly rent. This applies to tenancies of all kinds.

LARBOARD. (Fr. *Bâbord*, Ger. *Backbord, linke Seite*, Sp. *Babor.*)

A term formerly applied to that side of a ship which is on the left hand of a person looking forward from the stern. The name "port" is now generally used instead of larboard.

LASCAR. (Fr. *Lascar*, Ger. *Lasker*, Sp. *Lascar.*)

A word borrowed from the Hindu, properly signifying a camp-follower, but now commonly applied to a native Indian seaman, many of whom are employed in the English mercantile navy, especially that portion which trades in the Eastern seas.

LASTAGE. (Fr. *Lestage*, Ger. *Ballastung*, Sp. *Lastre.*)

The name given to sand, gravel or ballast, when used for the purpose of keeping a ship steady in the water.

LAW MERCHANT, LEX MERCATORIA, OR LEX MERCATORUM. (Fr. *Code commercial*, Ger. *Handelsgesetz*, Sp. *Codigo Mercantil.*)

In a general sense the law merchant signifies the usages and customs which regulate matters relating to commerce. Some of these were derived from the practices of foreign merchants, some from the Roman law, and others, especially those referring to maritime commerce, from various foreign codes. For many years the English courts refused to recognize these customs and usages; but in the seventeenth and the eighteenth centuries the efforts of Lord Holt and Lord Chief Justice Mansfield engrafted the law merchant upon the common law of England. In the case of *Goodwin* v. *Roburts* (1875), L.R. 10 Ex., at p. 346, the following remarks were made in the course of the judgment: "The law merchant is sometimes spoken of as a fixed body of law, forming part of the common law, and, as it were, co-eval with it. But, as a matter of legal history, this view is altogether incorrect. The law merchant thus spoken of with reference to bills of [illegible] negotiable securities, of the general body is of comparatively modern origin. It is neither more nor less than the usages of merchants and traders in the different departments of trade, ratified by the decisions of courts of law, which, upon such usages being proved before them, have adopted them as settled law with a view to the interests of trade and the public convenience, the court proceeding herein on the well-known principle of law that, with reference to transactions in the different departments of trade, courts of law, in giving effect to the contracts and dealings of the parties, will assume that the latter have dealt with one another on the footing of any custom or usage prevailing generally in the particular department. By this process, what before was usage only, unsanctioned by legal decision, has become engrafted upon, or incorporated into, the common law, and may thus be said to form part of it." In another case, Lord Campbell says: "When a general usage has been judicially ascertained and established, it becomes a part of the law merchant, which courts of justice are bound to know and recognize."

LAY DAYS. (Fr. *Jours de planche*, Ger. *Lade-* or *Liegetage*, Sp. *Dias de plancha.*)

A term used in shipping to signify the number of days allowed for loading or unloading ships, as agreed upon by the owners and charterers, or the owners and freighters, as the case may be. The lay days commence as soon as the ship has been given permission to load or to discharge.

LAZARETTO. (Fr. *Lazaret*, Ger. *Lazaret*, Sp. *Lazareto.*)

An establishment found in many foreign ports for the fumigation of goods landed from a ship in quarantine previous to the introduction into the markets. Passengers as well as their baggage are at times subjected to a process of fumigation, if they have come from ports which are under suspicion of being infected with contagious diseases.

LEAKAGE. (Fr. *Coulage*, Ger. *Gewichtsverlust*, Sp. *Merma.*)

In commerce, an allowance made on liquids for what may be lost by leaking.

LEASE. (Fr. *Bail*, Ger. *Pacht, Pachtbrief*, Sp. *Arriendo.*)

Either a grant of land or tenements

for a fixed period, or for life, by one person called the lessor, to another called the lessee, or the document which sets out the terms of the same. Every lease which is made for a longer period than three years must be made by deed. An under-lease is a letting by a person who himself holds the land or tenements under a lease. (See *Landlord and Tenant.*)

LEASEHOLD. (Fr. *Tenure par bail*, Ger. *Pachtgut*, Sp. *Arrendato.*)

The lands or tenements which are held under a lease. Leaseholds are personal estate, irrespective of the length of the term. They are subject, however, on the death of the lessee to succession, and not to legacy, duty.

LEDGER. (Fr. *Grand livre*, Ger. *Hauptbuch*, Sp. *Libro mayor.*)

The principal book of accounts employed by merchants and others in book-keeping by double entry. In it the whole of the entries recorded in all the other books are summarized and classified for the purpose of ready reference. The act of transferring the various entries from other books is called "posting" the ledger.

LEEMAN'S ACT. This is the name given to an Act of Parliament, passed in 1867, by which it was enacted that all contracts and agreements for the sale of shares or stock in any banking company of the United Kingdom, exclusive of the Banks of England and Scotland, should be null and void, unless the distinguishing numbers of such shares or stock are set forth in the contracts or agreements, and, in the absence of such distinguishing numbers, the person or persons in whose name or names the shares or stock are or is registered. It has been the custom of the Stock Exchange to treat this Act as a dead letter, but it has been declared by the courts, in a very recent case, to be of full force.

LEEWARD. (Fr. *Sous le vent*, Ger. *leewärts*, Sp. *Sotavento.*)

The side of the ship facing the quarter towards which the wind is blowing.

LEEWARD ISLANDS. The northern group of the islands, called the Lesser Antilles, which separate the Caribbean Sea from the Atlantic Ocean.

The Leeward Islands under British authority consist of the five presidencies of

(1) Antigua, with Barbuda and Redonda;

(2) St. Christopher and Nevis, with Anguilla;

(3) Dominica;

(4) Montserrat; and

(5) The Virgin Isles.

The colony contains nearly 130,000 people.

Antigua is the most important of the Leeward Islands, but Dominica is the largest The products are principally sugar, molasses, rum, and cotton. Fruit-growing is increasing. It has been proposed to establish central factories for the manufacture of cane sugar.

Mails are despatched once a fortnight, and the time of transit is about fourteen days. The cost of telegrams to Dominica is 4*s.* 2*d.* per word, and to Antigua 4*s.* 4*d.*

LEGACY. (Fr. *Legs*, Ger. *Legat, Vermächtnis*, Sp. *Legaga.*)

A gift of personalty made by will.

Legacies are of three kinds:—

(*a*) General, when payable out of the general assets of the testator.

(*b*) Specific, when a particular or specific part of the personalty of the testator is bequeathed.

(*c*) Demonstrative, when the testator has indicated a particular fund out of which the legacy is to be paid. If the particular fund has ceased to exist at the death of the testator a demonstrative legacy becomes a general one.

These distinctions are of great importance. In the administration of assets the order of the application of a legacy depends upon whether it is considered to be general or specific; so that upon the construction put upon it in this respect, the question as to whether the legatee shall enjoy it or not may wholly rest. In this respect the position of a specific legatee is more advantageous than that of a person whose legacy is general. But in another respect the contrary is the case. Thus, if after a testator has given a specific legacy the thing specifically given ceases to exist, or ceases to belong to the testator, the legacy is held to be adeemed. The legatee loses the entire benefit of it, and cannot claim compensation out of the general estate. A general legacy, on the other hand, is not liable to ademption. It is payable out of any and every part of the assets not required for the payment of debts, and not specifically disposed of; and all general legacies, in the case of an insufficiency of assets, are payable *pari passu*, unless the testator has given to some a priority over others.

Another important division of legacies is into vested and contingent. This will depend upon the wording of the will, for if the testator has made it clear

that it is his desire that the legatee should have the legacy in any event, though the time of enjoyment is postponed, and the legatee dies before that date arrives, the legacy is vested and therefore payable to the administrators of the legatee. But if the gift is purely contingent upon the legatee attaining a certain age, or upon the happening of a certain event, then the legacy is a contingent one, and unless the condition is fulfilled the legacy will not go to the administrators of the legatee.

A legacy will lapse if the legatee dies in the lifetime of the testator, even though the bequest is made to the legatee, his executors, administrators, and assigns. The lapsed legacy will fall into the residue of the estate, and the property comprised in it will become the property of the residuary legatee. If it is the residuary legatee who dies before the testator, the lapse of his share creates an intestacy as to that amount.

There is an exception to this rule as to lapse when the legatee is a child or other issue of the testator. It has been provided by the Wills Act, 1837, that in such a case the children or issue of the legatee, if there are any, shall not suffer by the death of the legatee during the lifetime of the testator, but that, unless there is a contrary intention expressed in the will, the intended legacy shall take effect as if the death of the intended legatee had happened immediately after the death of the testator.

At common law there was no right of action against an executor to recover legacies unless the executor had assented to them. If payment of a legacy was withheld recourse was had to equity, and proceedings are now taken in the Chancery Division. If the value of the estate of the testator does not exceed £500, proceedings may be taken in the county court.

Specific legacies are payable and interest thereon runs from the death of the testator, from which time also dividends accrue to the legatee. General legacies, on the contrary, unless otherwise provided by the testator, are not payable until the expiration of twelve months after his decease, and only carry interest for that time. But if the testator has expressed an intention as to either the acceleration or the postponement of payment, interest is payable from the directed time of payment. There are a few exceptions to this rule. Thus, where a legacy is given in satisfaction for a debt, the legacy is payable and carries interest from the death. Again, where a parent bestows a legacy upon an infant, interest will generally be allowed from the death by way of maintenance, unless there is a special fund provided for that purpose. Demonstrative legacies resemble general legacies both as to time of payment and interest. The rate of interest is generally four per cent.

Subject to a few exceptions, legacy duty is payable upon all bequests of personalty made by a testator who is domiciled in the United Kingdom at the time of his death. The duty is also payable upon *donationes mortis causâ*, upon profits derived from the management of the deceased's estate, when expressly conferred by the will, and upon releases from debts due to the testator. The rate of duty depends upon the degree of relationship.

	Per cent.
Lineal ancestors or descendants of the testator	1
Brothers and sisters of the testator, or their descendants . . .	3
Uncles and aunts of the testator, or their descendants	5
Great uncles and great aunts of the testator, or their descendants .	6
Any other person	10

Exemption from legacy duty is granted in the following cases:—

(*a*) On legacies to the husband or wife of the deceased.

(*b*) On legacies to lineal descendants if the estate duty has been paid.

(*c*) On legacies for the benefit of the Royal Family.

(*d*) On specific, but not pecuniary, legacies under the value of £20.

(*e*) When the total value of the personalty does not exceed £100.

(*f*) When the net value of the estate does not exceed £100, and estate duty has been paid.

(*g*) On books, prints, and specific articles given to a public body for preservation and not for sale, and also on plate, furniture, and similar things, not yielding income, given to different persons in succession. The duty becomes payable whenever the property passes to a person who is the absolute owner.

The burden of paying the legacy duty falls on the legatee, unless the will provides otherwise, and a failure to do this renders the defaulter liable to heavy penalties.

LEGAL DAY. (Fr. *Jour légal*, Ger. *gesetzlicher Tag*, Sp. *Dia legal.*)

The whole of the day, continuing up to midnight. When there is an obligation to do a certain thing by a fixed day, the whole day must pass before there can be default. For example, if rent is payable on a quarter day, it is not in arrear until the day following.

LEGAL QUAY. (Fr. *Quai de douane*, Ger. *Zollkai*, Sp. *Muelle de Aduana.*)

A wharf licensed by the customs to land and store bonded goods.

LEGAL TENDER. (Fr. *Monnaie légale*, Ger. *gesetzliches Zahlmittel*, Sp. *Moneda legal.*)

Such money as a creditor is obliged to receive in requital of a debt expressed in terms of money of the realm. By the Coinage Act of 1870 the following are declared to be legal tender in the United Kingdom :

(1) Gold coins up to any amount.

(2) Silver coins up to two pounds.

(3) Bronze coins (pence and half-pence) up to one shilling.

"In England and Wales (but not in Ireland or Scotland) Bank of England notes payable to bearer on demand are a legal tender for any sum above £5, so long as the bank continues to pay its notes in legal coin, except at and by the bank itself or its branches. The bank in London is bound, on presentation, to pay the holder of any of its notes in money ; its branches are bound to pay in money only such notes as are made specially payable at the branch where the note is presented for payment."

The King in Council is empowered to proclaim that the gold coinage of colonial mints shall be legal tender throughout such parts of his dominions as may be specified in the proclamation. (See *Tender.*)

LETTER OF ALLOTMENT. (Fr. *Lettre de répartition*, Ger. *Zuteilungsbrief*, Sp. *Carta de repartición.*)

A letter issued in answer to a letter of application for a portion of a public loan, or for shares in a commercial undertaking, informing the applicant that a certain amount has been placed in his name. Letters of allotment must be stamped.

Less than £5 . . .	1*d.*
£5 and upwards . .	6*d.*

LETTER OF CREDIT. (Fr. *Lettre de crédit*, Ger. *Kreditbrief*, Sp. *Carta de crédito.*)

An order given by a banker or other person, at one place, to his agent in another place, authorizing the latter to pay to a particular individual a certain sum of money. Owing to its vagueness a letter of credit is not a negotiable instrument, and therefore payment can only be legally demanded by the person who is named in it.

LETTER OF INDEMNITY. (Fr. *Garantie d'indemnité*, Ger. *Schadloshaltungsbürgschaft*, Sp. *Garantía de pérdida.*)

A written indemnity whereby a person, who signs and issues the document, undertakes to guarantee the person to whom it is addressed and delivered from loss or damage which may arise on the happening or the failure of a particular event, or on the performance or non-performance of a specified event. (See *Guarantee.*)

LETTER OF INTRODUCTION. (Fr. *Lettre d'introduction*, Ger. *Empfehlungsbrief*, Sp. *Carta de introducción.*)

A letter addressed to a correspondent at a distance, introducing the bearer, and requesting a favourable reception for him.

LETTER OF LICENCE. (Fr. *Permis, licence*, Ger. *Licenz, Moratorium*, Sp. *Escritura moratoria, espera.*)

An agreement signed by the creditors of an insolvent or embarrassed trader, permitting him, or some other person, to carry on the business for a certain time without first satisfying their claims, and undertaking not to molest him until the time agreed upon has expired.

LETTER OF REGRET. (Fr. *Lettre de regret*, Ger. *Ablehnungsbrief*, Sp. *Carta de asentimiento.*)

A communication sent to unsuccessful applicants for shares in a loan or a newly-formed joint-stock company, expressing the regret of the directors that no shares have been allotted to them. The deposit required to be made on application is returned with the letter of regret.

LETTER OF RENUNCIATION. (Fr. *Lettre de renoncement*, Ger. *Verzichtleistung*, Sp. *Carta de renunciación.*)

A letter which is sometimes sent with a letter of allotment, by signing which the allottee can renounce his right to the allotment.

LETTERS PATENT. (Fr. *Lettres patentes, brevet d'invention*, Ger. *Patent, Privilegium*, Sp. *Cartas de Patente.*)

The term applied to the Government document conferring a patent or authorizing a person to enjoy some special privilege for a specified time. The document is so called from *litterae patentes*, open letters, being addressed to the nation at large. (See *Patent.*)

LIABILITIES. (Fr. *Passif*, Ger. *Verbindlichkeiten, Passiva*, Sp. *Pasivo.*)

The obligation of any person, firm, or company under any contract or contracts entered into by them. The word is most commonly used to express indebtedness, and therefore is generally confined to the total amount of money owing by one person to another or others.

For the purposes of the Bankruptcy Act, 1883, liability is defined as "any compensation for work or labour done, any obligation or possibility of an obligation to pay money or money's worth on the breach of any express or implied covenant, contract, agreement, or undertaking, whether the breach does or does not occur, or is or is not likely to occur, or capable of occurring before the discharge of the debtor, and generally it shall include any express or implied engagement, agreement, or undertaking to pay, or capable of resulting in the payment of money or money's worth, whether the payment is, as respects amount, fixed or unliquidated; as respects time, present or future, certain or dependent on any one contingency, or on two or more contingencies: as to mode of valuation, capable of being ascertained by fixed rules, or as matter of opinion."

LIBERIA. A negro republic on the coast of West Africa, between Sierra Leone and the Ivory Coast. Its area is about 50,000 square miles, and the population rather more than 1,600,000. The chief exports are coffee, cocoa, palm-kernels, palm oil, ivory, rubber, and camwood. The principal imports are cottons, haberdashery, salt, rice, provisions, guns, ammunition, hardware, glass, and timber. The capital is Monrovia. Foreigners are only permitted to trade through certain ports.

The republic was established in 1822 by American slaves who had been liberated, and recognized as an independent state in 1847.

The weights and measures in use are mostly British.

Great Britain has a consul resident at Dakar, and a vice-consul at Monrovia. Liberia has a consul-general and chargé d'affaires in London (3, Coleman Street, E.C.), and consuls at Birmingham, Cardiff, Glasgow, Hull, Liverpool, London, Manchester, Newcastle, Plymouth, Portsmouth, Sheffield, Southampton, and Swansea.

Mails are despatched every Friday via Liverpool, and on various other days, though irregularly, via Southampton. The time of transit to Monrovia, which is 3,650 miles from London, is fourteen days. Telegrams are sent by post from Sierra Leone.

LIEN. (Fr. *Gage, droit de rétention*, Ger. *Pfandrecht*, Sp. *Derecho de detención.*)

Lien may be divided into three main classes: (*a*) possessory, (*b*) maritime, (*c*) equitable.

A possessory lien signifies the right of a person, who has possession of the goods of another, to retain such possession until a debt due to him has been paid.

Possessory liens may be either particular or general.

A particular lien is a right which arises in connection with the goods as to which the debt arose. The most common instances are those of a carrier, who can retain the goods delivered to him for carriage until his charges are paid; an innkeeper, who can detain the goods of his guest; a tradesman or labourer, who is not bound to give up goods upon which he has expended labour unless he is rewarded for the same, and a warehouseman, who is entitled to recompense for the trouble to which he has been put. But in addition to these liens, which are implied by law, the owner of goods and the possessor may create a particular lien over the same by express agreement between themselves.

A general lien, which arises from custom or contract, is a right to detain goods not only for debts incurred in connection with them, but also for a general balance of account between the owner and the possessor. The most common instances of general lien are those of factors, bankers, wharfingers, solicitors, and, in some instances, insurance brokers.

A possessory lien, to whichever class it belongs, does not give the possessor any right to deal with the goods except such as belongs to the possessor merely. Thus he has no right of sale. This is, however, subject to any special agreement between the parties.

A lien is lost or extinguished if the possessor agrees to give credit to the owner for the amount due, or if he agrees to accept some other security for the debt due to him. A surrender of possession naturally destroys the lien, except in the case of the unpaid seller of goods, who may retake possession by exercising the right of stoppage *in transitu.*

Maritime lien is independent of possession. It is a peculiar right which attaches to a ship in connection with a

liability arising out of an adventure at sea, and attaches to the ship wherever she may be. It is enforceable by arrest and sale, if necessary, at the instance of the Admiralty Court. In addition to liens arising out of salvage and bottomry bonds there are those which attach for damages through collision, seamen's wages, payments made by the master on account of the ship, and the services of pilots.

An equitable lien has nothing to do with possession, but is a right to have a specific portion of property dealt with in a particular way for the satisfaction of specific claims.

LIFE ANNUITY. (Fr. *Rente viagère*, Ger. *Lebensrente*, Sp. *Renta vitalicia.*)

An annuity paid to a person during life, but which is to cease on the death of the annuitant.

LIFE ESTATE. (Fr. *Propriété viagère*, Ger. *unvererbliche Güter*, Sp. *Propiedad vitalicia.*)

An estate or interest held for the term of the life of the holder, or of another person (*pur autre vie*). The holder is called the tenant for life, and owing to the settlements that prevail among landowners, it is possible that more of the land in England is held by tenants for life than by any other class.

Until the passing of the Settled Land Acts, especially those of 1877, 1882, and 1890, a tenant for life was almost entirely prevented from dealing with the life estate, or the produce of it, except in so far as the provisions of the settlement under which he held gave him special powers. By these Acts, however, a very considerable change has been made in the law. The policy of the whole is to keep the capital amount representing the value of the land intact, but otherwise to allow the tenant to enjoy as far as possible the powers and privileges of any other holder of land, and under certain conditions even to sell or exchange the estate. What these powers are and the manner in which they are to be exercised, must be gathered from the Acts themselves.

LIFE INSURANCE. (Fr. *Assurance sur la vie*, Ger. *Lebensversicherung*, Sp. *Seguro sobre la vida.*)

"A contract by which the insurer, in consideration of certain payments, either in a gross sum, or by annual payments, undertakes to pay to the person for whose benefit the insurance is made, a certain sum of money or annuity, on the death of the person whose life is insured." This is the definition given in Smith's *Mercantile Law*. The late Sir George Jessel defined it as "a purchase of a reversionary sum in consideration of a present payment of money, or, as is generally the case, of the payment of an annuity during the life of the party insuring."

The forms of life insurance are very numerous, and novel methods are being continually introduced, owing to the competition between various companies. One of the most favoured methods is the system of endowment policies, by which it is stipulated that the payment of the policy money shall be made either on the death of the person insured, or after the lapse of a specified number of years, whichever shall first happen. The premium is naturally much higher in the case of endowment policies than in that of ordinary policies, and varies inversely as the number of years after which the insurance money becomes payable.

The person effecting the insurance must have an insurable interest (*q.v.*) in the life insured. Every man is presumed to have an insurable interest in his own life, and since life insurance is not a contract of indemnity, there is no limit to the amount for which an insurance on his own life can be made by himself.

Before a policy of life insurance is granted to the insured, a proposal form has to be filled up. This consists of a number of inquiries as to the life, habits, and antecedents of the proposer. The answers must be made with the greatest care, because the proposal form is regarded as a part of the policy, and since the contract is one of the class known as *uberrimae fidei*, any misstatements may render the policy void. The risks insured against are set out in the policy itself, also the time during which the contract is to remain in force, the names of the parties and the amount of the insurance, and the method of payment of the premium. It is a common custom for insurance offices to allow a certain number of days of grace for the payment of any instalment of the premium. This does not follow as a matter of course, and a clause to this effect should be inserted in the policy if the insured wishes to rely upon it. As in every other contract evidenced by writing the utmost care should be taken to see that all the desired terms are inserted in the policy, since evidence to vary the policy is not admissible.

Stamping.—Policies of life insurance

must be stamped as follows :—

	s.	d.
Where the sum insured does not exceed £10	0	1
Exceeds £10, but does not exceed £25	0	3
Exceeds £25, but does not exceed £500, for every £50 or fractional part thereof . .	0	6
Exceeds £500, but does not exceed £1,0000, for every £100 or fractional part thereof . . .	1	0
Exceeds £1,000, for every £1,000 or fractional part thereof . .	10	0

This does not apply to insurances of lives against accidents, for which the stamp duty is one penny.

Assignment of Policies.—By the common law a policy of insurance, being a *chose in action*, could not be assigned or transferred to a person who was not a party to the contract. But by an Act passed in 1867, a life policy can now be assigned, either by indorsement of the policy or by a separate instrument, and the assignee can sue in his own name without showing that he possesses any personal interest. A written notice of the assignment must be given to the insurance office, and the insurer must, upon receiving notice, give a certificate acknowledging the receipt. The policy specifies the place of business to which the notice must be sent.

This power of assignment enables a person to effect an insurance upon his own life and then transfer the policy to another person for the latter's benefit, when the same thing could not be carried out directly owing to the absence of "insurable interest."

The assignee takes the policy subject to all the equities, that is, he can be met in an action upon the policy by any of the defences which would be available against the assignor.

LIFE INSURANCE COMPANIES ACTS, 1870-72. Three Acts regulating the conditions under which life insurance companies are permitted to commence business, differing from those which regulate ordinary joint-stock companies. The following are the most important :—

(1) Every life insurance company established after August 9, 1870, and every company commencing to carry on the business of life insurance after that date, must, if it carries on business within the United Kingdom, deposit £20,000 in the Chancery Division, and no certificate of incorporation can be issued until the deposit has been made.

(2) The deposit may be made by the subscribers of the memorandum of association of the company, or by any of them, in the name of the proposed company, and the deposit is deemed, upon the incorporation of the company, to have been made by and to be a part of the assets of the company.

(3) The deposit is invested by the court, and the income is paid to the company.

(4) The deposit is returnable as soon as the life insurance fund of the company, accumulated out of premiums, amounts to £40,000.

(5) Where a company carries on other business besides that of life insurance, a separate account must be kept of all receipts in respect of the life insurance and annuity contracts of the company. The receipts must form a separate fund, called the life insurance fund of the company, and it must be as absolutely the security of the life policy-holders and the annuity-holders as though the company carried on no other business than that of life insurance.

(6) Life insurance companies are required to make annual statements of accounts, and to report, at frequent intervals, on their financial condition. Printed copies of the accounts and reports must be furnished to the shareholders and policy-holders of the company when required.

(7) An amalgamation of two or more life insurance companies cannot be effected without the sanction of the court upon petition. No sanction will be given if policy-holders to the extent of one-tenth of the total amount assured, refuse their consent to the proposed amalgamation.

(8) A life insurance company may be wound up on the application of one or more policy-holders on proof of its insolvency. The court, in determining whether the company is or is not insolvent, takes into account its contingent or prospective liabilities under policies, annuities, or other contracts, and no hearing is granted unless security for costs is given and a *primâ facie* case made out to the satisfaction of the judge.

The following rules are given for calculating the values of annuities and policies :—

"An annuity shall be valued according to the tables used by the company which granted such annuity at the time

of granting the same, and where such table cannot be ascertained or adopted to the satisfaction of the court, then according to the table known as the Government Annuities Experience Table, interest being reckoned at the rate of 4 per cent. per annum.

"The value of a policy is to be the difference between the present value of the reversion in the sum assured on the decease of the life, including any bonus or addition thereto made before the commencement of the winding-up, and the present value of the future annual premiums. In calculating such present value the rate of interest is to be assumed as being 4 per cent. per annum, and the rate of mortality as that of the tables known as the Seventeen Offices Experience Tables. The premium to be calculated is to be such premium as, according to such rate of interest and rate of mortality, is sufficient to provide for the risk incurred by the office in issuing the policy, exclusive of any addition thereto for office expenses and other charges."

(9) When a life insurance company transfers its business to another company, or amalgamates with one or more insurance companies, no policy-holder in the first company is presumed to have abandoned any of his rights or claims against that company by reason of the payment of premiums to the new company, or to have accepted the liability of the new company in place of the liability of the old company, unless he has signified the same by some document in writing signed by himself or by his lawful agent.

LIFE INTEREST. (Fr. *Viager*, Ger. *Niessbrauch*, Sp. *Renta vitalicia.*)

The beneficial interest in land or other property to last during the life of the beneficiary or some other person.

LIGHT DUES. (Fr. *Droits de phare*, Ger. *Leuchtgelder*, Sp. *Derechos de Faros.*)

Tolls levied on a ship by the Board of Trinity House to maintain the lights, beacons, buoys and other contrivances shown for the guidance of navigators round the British coasts and estuaries.

LIGHTER. (Fr. *Gabare*, Ger. *Lichter*, *Leichterschiff*, Sp. *Gabarra.*)

A large open boat used in loading and unloading ships and carrying goods.

LIGHTERAGE. (Fr. *Prix de transport par eau*, *Frais d'allège*, Ger. *Lichtergeld*, Sp. *Gabarraje.*)

The price paid for conveying goods by means of lighters.

LIGHTERMAN. (*Gabarier*, Ger. *Lichterschiffer*, *Auslader*, Sp. *Gabarrero.*)

(1) A man who is engaged in the navigation of lighters or barges.

(2) The owner of a number of lighters, carrying on business with them in conveying goods.

LIMIT. (Fr. *Limite*, Ger. *Limitum*, Sp. *Limite.*)

A fixed price given by a client to his broker for the purchase or sale of any securities or saleable commodities.

LIMITATIONS, STATUTES OF. (Fr. *Loi de prescription*, Ger. *Verjährungsrecht*, Sp. *Estatuto de Limitaciones.*)

The law which fixes the limits within which actions may be brought. There are three statutes on the subject, passed in 1623, 1833, and 1874. The last of the three is the Real Property Limitation Act, and has reference to real property only. The other two deal with contracts generally, both simple and specialty.

In the case of a simple contract an action must be commenced within six years of the time when the cause of action arose, while twenty years are allowed for a contract under seal. There is an extension of time provided the plaintiff or defendant is an infant or an insane person, as no action can be taken personally by or against either of them until the attainment of majority, or the recovery of sanity, as the case may be, by the party himself. If the defendant is beyond the seas, or out of the jurisdiction, when the cause of action arises, the period of limitation begins to run from the date of his return. But if the cause of action arises, and the defendant then goes out of the jurisdiction, the statute runs, and his departure makes no difference. Without an acknowledgment by which the debt can be kept alive, the only course open to the plaintiff is to issue a writ, and renew it continually until it has been served on the defendant.

An acknowledgment of a debt, either by part payment of the debt, by payment of interest, or by a confession of the same, is sufficient to keep the debt alive and to destroy the effect of the statute. Part payment and payment of interest are matters of fact to be proved in the usual way. But the confession of the existence of a debt must, since the passing of Lord Tenterden's Act, 1828, be in writing and signed by the debtor. The acknowledgment must be distinct and unconditional in its terms. The six years or the twenty years, as the case may be, will then

begin to run from the date of the acknowledgment. If there are several joint debtors there must be an acknowledgment by each in order to keep the debt alive against the whole. The contrary is the case in a mortgage of land, the acknowledgment of one mortgagor being sufficient.

In the case of an ordinary contract the statute does not bar the right, but only the remedy. Therefore an executor is entitled to pay a debt of the testator which is statute-barred. A defendant who intends to rely upon the defence of the statute must specially plead it, or he will not be heard upon this point at the trial of the action.

The Act of 1874 not only bars the remedy, but also the right. The first section is as follows: "No person shall make an entry or distress, or bring an action or suit, to recover any land or rent but within twelve years next after the time at which the right to make such entry or distress, or to bring such action or suit, shall have first accrued to any person through whom he claims; or if such right shall not have accrued to any person through whom he claims, then within twelve years next after the time at which the right to make such entry or distress, or to bring such action or suit, shall have first accrued to the person making or bringing the same." The usual disabilities are privileged, but the utmost limit allowed is thirty years, notwithstanding the existence of one or more disabilities during the whole period. By the seventh section of the Act a mortgagor is barred at the end of twelve years from the time when the mortgagee took possession, or from the last written acknowledgment.

A judgment is statute-barred after twelve years.

Trustees were unable to claim the benefit of any Statute of Limitation until the passing of the Trustee Act, 1888. Now they are on the same footing as other people, provided that in the action in which the statute is pleaded the claim is not—

(1) Founded upon any fraud or fraudulent breach of trust to which the trustee was a party or privy, or

(2) To recover trust property, or the proceeds thereof, which is still retained by the trustee, or which has been previously received by him and converted to his use.

LIMITED. (Fr. *à responsabilité limitée, en commandite*, Ger. *mit beschränkter Haftpflicht*, Sp. *Limitada, en Comandita.*)

The last word in the name of a company registered under the Companies Acts. It must be used upon every document issued by the company, and the name itself in full must be painted or affixed to the outside of every office or place where the company carries on its business under the risk, if omitted, of heavy penalties. Moreover, if any director, manager, or officer signs or authorizes the signature of a bill of exchange on behalf of the company, and the name of the company is not mentioned therein, he is personally liable upon the instrument unless it is paid by the company.

The word "limited," may be dispensed with, by leave of the Board of Trade, when an association is formed for the promotion of art, science, religion, charity, etc., and there is no intention on the part of the promoters that any portion of the funds of the association shall be devoted to any other purposes than the advancement of the objects of the association: and that no dividends shall be paid to the members. The licence is obtained on written application to the Board of Trade, the application being accompanied by a draft in duplicate of the proposed memorandum and articles of association.

LIMITED AND REDUCED. (Fr. *à responsabilité limitée et reduite*, Ger. *reduziert*, Sp. *De responsabilidad limitada y reducida.*)

When a company presents a petition to the court for leave to reduce its capital, and such leave is granted, the words "and reduced" are almost invariably ordered to be added to the designation of the company for a certain time, to be fixed by the court.

LINE. (Fr. *Ligne*, Ger. *Dampferlinie*, Sp. *Linea.*)

The word is used as a collective name for a fleet of steamers trading to and from certain foreign ports beyond the seas.

LIQUIDATED DAMAGES. (Fr. *Dommages-intérêts*, Ger. *berechnete Entschadigung*, Sp. *reclamaciones ajustadas.*)

The amount of damage agreed upon between parties, or ascertained by some other method, to be paid in respect of a breach of contract. It is frequently specified in a contract that a certain sum shall be paid in case of non-performance. This may be either the real estimate of the damage, or a maximum of what may happen. In the latter case it is, in reality, a penalty, and the sum named cannot be recovered

if it is clearly in the nature of a penal sum and far in excess of the real amount of the damages suffered.

LIQUIDATION. (Fr. *Liquidation*, Ger. *Liquidation*, Sp. *Liquidación*.)

A course of settlement or the closing up of all business transactions, or the winding up of any company or business. When a joint-stock company is being thus wound up it is said to be in liquidation.

LIQUIDATOR. (Fr. *Liquidateur* Ger. *Liquidator*, Sp. *Liquidador*.)

A person who is employed in adjusting and settling the affairs of an estate, or in winding-up a joint-stock company which is in liquidation. In each case his business is to realize the assets of the estate or company, to pay all the costs incidental to the work of liquidation, to meet the liabilities as far as the assets are concerned, and to distribute any balance that may remain amongst the parties entitled.

In the winding-up of companies the Official Receiver acts as liquidator until a person is specially appointed to take up the work, and the proper security has been given. His chief duties are set out under *Companies*. He is frequently assisted by a "committee of inspection," who can control him in all important matters, but in all the ordinary duties connected with the bringing the existence of the company to a close, he is able to act on his own initiative.

The remuneration of the liquidator is generally fixed by the committee of inspection, and is in the nature of a commission on the surplus amount of assets available for the shareholders, after deducting all the costs of the proceedings and the amounts payable to secured creditors out of their securities.

LIVERYMAN. (Fr. *Notable, électeur municipal*, Ger. *Zunftglied*, Sp. *Concejal*.)

A freeman of the City of London, who is entitled to wear the livery, and to enjoy the other privileges of the company of which he is a member. The city companies are the modern successors of the guilds of the middle ages. Their establishment dates from the fourteenth century.

LLOYD'S. (Fr. *Lloyd*, Ger. *Lloyds Bureau*, Sp. *Despacho Escritorio del Lloyd*.)

The institution so called from having its headquarters in Lloyd's Rooms. The members of the institution are devoted to the business of marine insurance, or matters subsidiary thereto.

Lloyd's obtained an Act of Incorporation in 1871, in spite of much opposition.

The objects of the institution are—

(1) The carrying on of the business of marine insurance by members of the society.

(2) The protection of the interests of members in respect of shipping, cargoes, and freight.

(3) The collection, publication and diffusion of intelligence and information.

In order to carry out its objects, Lloyd's employs a staff of more than 1,500 agents in various parts of the world, who make constant reports to headquarters.

By an Act passed in 1896, every master of a British ship is compelled, under a penalty of £5, to notify at once to the agent of Lloyd's at his next place of call, or if there is no agent then direct to the secretary of Lloyd's, the existence on the high seas of any floating derelict vessel. The information so received must then be published by Lloyd's in the same manner and to the same extent as reports are made of shipping casualties, and communicated to the Board of Trade.

Members of Lloyd's may be either underwriting or non-underwriting members. There are, in addition, annual subscribers and associates. A candidate for membership must be recommended by six members, and afterwards elected by the committee by ballot. Subscribers and associates are allowed to recommend gentlemen for election to their own grades.

A deposit of securities to the amount of at least £5,000 is required from each person who wishes to become an underwriter at Lloyd's before he can commence underwriting risks himself; but many persons without the least training become members of Lloyd's after depositing £7,500 with the secretary and giving an extra security. These latter are not allowed by the committee to underwrite risks themselves until they have satisfied the committee that they have worked under an experienced underwriter and acquired a certain knowledge of the business of taking risks. The object of these members is generally to become a "name" in an underwriting firm for which a premium is necessary to each firm,) relying upon the ability and skill of the firm to take no risks but those which are good, and to enter upon no hazardous and speculative insurances. To be a "name" in an underwriting

firm at Lloyd's signifies that the underwriter allows his name to be put down for a certain amount, above the amount underwritten by the firm, on all insurances undertaken by them. The dividends derived from the investment of the deposit is paid to the underwriters.

In addition to an entrance fee, members elected since January 1, 1893, pay an annual subscription of twenty guineas, those elected before that date paying sixteen guineas only. The members who are not underwriters pay no deposit, but are charged an entrance fee, and an annual subscription of seven guineas. Subscribers pay an annual subscription of seven guineas, and associates of five guineas.

LLOYD AUSTRIAN. (Fr. *Lloyd autrichien*, Ger. *Österreichischer Lloyd*, Sp. *Lloyd austriaco.*)

An association of merchants, corresponding to the English Lloyd's, founded at Trieste, in 1833, by C. L. von Brück. It owns lines of steamships of much importance, which are mainly engaged in the Mediterranean and Levant trades. One of its departments is devoted to literary and scientific matters. It publishes the *Giornale del Lloyd Austriaco*, a journal which dates from 1835.

LLOYD'S BONDS. (Fr. *Obligations spéciales de Lloyd*, Ger. *Lloyds Wertpapiere*, Sp. *Bonos particulares de Lloyd.*)

These bonds were introduced to evade the Mortgage Debenture Act, and derive their name from the name of the counsel who first settled the form of the bond. By the Mortgage Debenture Act a company is prohibited from borrowing more than an amount equal to two-thirds of its paid-up capital. The bonds consist of ordinary promissory notes, bearing interest payable to bearer. As between the company and the first holder they are void, as commercial frauds, and the first holder, being a party to the fraud, cannot recover either principal or interest. But if a first holder possesses such a bond for value, the subsequent holder, being an innocent party, is entitled just as if it were an ordinary bill transaction, and this legal fiction is sustained by the courts.

LLOYD NORTH GERMAN. (Fr. *Lloyd allemand*, Ger. *Nord-deutscher Lloyd*, Sp. *Lloyd aleman.*)

A large and important German company, formed for the purpose of owning and managing steam and other ships, and to trade with them to all parts of the world. The steamers owned by this company are among the fastest and finest in the world.

LLOYD'S CERTIFICATE. (See *Lloyd's Registry.*)

LLOYD'S REGISTRY. (Fr. *Liste du Véritas*, Ger. *Lloyds Register*, Sp. *Registro del Lloyd.*)

An establishment for the purpose of surveying and classing ships so as to afford to underwriters and others interested an independent guarantee of the quality and condition of ships offered for insurance or employment. The registry publishes annually *Lloyd's Register of British and Foreign Shipping*, a book containing the names and description of all British ships, and of such foreign ships as are classed in the Register. Ships which are intended for classification are built under the inspection of Lloyd's surveyors, the owners paying certain fees for their admission to the Register. To wooden and composite ships, that is to say, ships with iron frames and wooden planks, of the first class, the mark A is assigned, and the period for which this class is to be continued varies with the material used in the construction, from four to fifteen years, subject to certain periodical surveys made by the surveyors of the Society. Ships built of iron or steel are marked AA, no number of years being assigned, and the ships are maintained in this class as long as their condition warrants it, this being ascertained by an annual survey. The numeral which follows the letter denoting the class indicates the quality and condition of the stores, rigging, sails, etc. Various other signs are used to indicate ships of the second, third, or lower classes.

The committee of Lloyd's Registry grant a certificate upon the result of their periodical survey of vessels, and this certificate states the class and condition of the vessel to which it is granted, based upon the reports which have been sent in by the surveyors.

LLOYD'S ROOMS. (Fr. *Lloyd*, Ger. *Lloyds Bureau*, Sp. *Despacho Escritorio del Lloyd.*)

The rooms form a portion of the Royal Exchange devoted to the use of underwriters, shipping agents, and insurance brokers.

The name Lloyd's is derived from

one Edward Lloyd, who kept a coffee house in Tower Street, towards the end of the seventeenth century. In 1692 the coffee-house business was removed to Lombard Street. The house was always famous, owing to the fact that Lloyd, by means of his various correspondents at home and abroad, was able to supply the best and the latest news of the movements of vessels. In 1696 *Lloyd's News* was commenced, which was changed, in 1721, to *Lloyd's List*. From being a mere news centre, Lloyd's began to be used as a place for conducting marine insurance, a business which rapidly increased. In 1771 the brokers and underwriters frequenting the coffee house removed to Pope's Head Alley, which was known as New Lloyd's; but two years later rooms were taken in the upper part of the Royal Exchange, and since then the business has been carried on there.

The business was amazingly successful from 1775 to 1815, during the forty years of war, and the name of Lloyd's became known all the world over.

Lloyd's Rooms have been described as "the focus and centre of the world's sea-borne trade and commerce."

LOADING IN TURN. (Fr. *Chargement régulier*, Ger. *Verladung der Reihe nach*, Sp. *Cargar á turno.*)

A charter party term used in coal and other trades, meaning that when several boats are waiting at a loading berth to be loaded, the loading of each is to commence according to and in the order of their arrival at the berth.

LOAN. (Fr. *Prêt*, Ger. *Anleihe*, Sp. *Préstamo.*)

A sum of money lent by one person to another, and returnable with or without interest, according to arrangement.

LOCKAGE. This word may mean—

1. (Fr. *Les écluses*, Ger. *Schleusen*, Sp. *Almacenaje.*)

The locks of a canal.

2. (Fr. *Eclusée*, Ger. *Schleusenhöhe*, Sp. *Almacenado.*)

The difference in the levels of a canal.

3. (Fr. *Péage d'écluse*, Ger. *Schleusengeld*, Sp. *Derechos de almacenaje.*)

The tolls paid for passing through locks.

LOCK-KEEPER. (Fr. *Eclusier*, Ger. *Schleusenwärter*, Sp. *Guarda almacen.*)

The person who attends to the locks of a canal.

LOCKER'S ORDERS. (Fr. *Bulletins de marchandises pour exportation*, Ger. *Exportschein*, Sp. *Géneros para exportar.*)

Printed copies on the reverse side of bank notes, which give full particulars of the goods to be exported.

LOCK-OUT. (Fr. *Fermeture des ateliers*, Ger. *Aussperrung*, Sp. *Cierre de talleres.*)

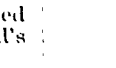
This is the act of an employer, or a combination of employers, in preventing workmen from returning to their labour, owing to disputes as to the terms of employment between the masters and the men. When the men themselves refuse to return to their work their action is called a "strike."

LOCUM TENENS. (Fr. *Suppléant, substitut*, Ger. *Stellvertreter*, Sp. *Suplemento, substituido.*)

A person who acts as a deputy or substitute for another.

LOCUS SIGILLI. (L.S.)

The place for the seal. When copies of documents under seal are made the place where the seal has been affixed to the original is indicated by a circle containing the two letters L.S., thus:—



LOG-BOOK. (Fr. *Livre de loch, journal*, Ger. *Logbuch*, Sp. *Cuaderno de vitacora.*)

The book kept by the master of a ship in which he records the daily progress of the vessel, the state of the wind and weather, and any events of interest occurring during the voyage.

LONG. (Fr. *Haussier*, Ger. *Haussier*, Sp. *Alcista.*)

An American term, which is equivalent to the market expression "bull." Instead of calling a person who holds stock for a rise a bull, the Americans say of him that he is "long in stock."

LONG DATED BILL. (Fr. *Billet à longue échéance, à longue terme*, Ger. *langlaufender Wechsel*, Sp. *Letra á larga fecha.*)

A phrase used in the money market to signify a bill which has a long term to run, such as a bill which is drawn at six or nine months after date or after sight. Long dated bills are often spoken of as "long dated paper."

LONG DOZEN. (Fr. *Treize à la douzaine, Treize-douze*, 13/12, Ger. *grosses Dutzend*, Sp. *Gran docena.*)

This signifies thirteen articles which are reckoned as twelve.

LOST BILL. (See *Bill of Exchange.*)

LOT MONEY. (Fr. *Lotissement*, Ger. *Losgeld*, Sp. *Derechos de correduria.*)

A charge made by an auctioneer for

each lot of goods sold by him at a public auction.

LOTS. (Fr. *Lots*, Ger. *Lose*, *Partien*, Sp. *Lotes*, *partidas*.)

Goods arranged in separate portions or parcels for sale by auction.

LUMBER. (Fr. *Bois de charpente*, Ger. *Bauholz*, Sp. *Maderas vigas*.)

The American term for timber.

LUMBERERS. (Fr. *Coupeurs, bûcherons, défricheurs*, Ger. *Holzhauer*, Sp. *Leñeros*.)

Men employed in felling timber and bringing it from the forests.

LUMBERING. (Fr. *Défrichement*, Ger. *Holzhauerei*, Sp. *Comercio de Maderas*.)

The business of a lumberer.

M. This letter is used as an abbreviation in the following :—

M., Thousand.

M/C., Metalling clause (marine insurance), and marginal credit (banking).

M/d., Months' date.

mm., Millimetres.

MS., Manuscript.

M/s., Months' sight.

MSS., Manuscripts.

MADE BILL. (Fr. *Billet endossé*, Ger. *girierter Wechsel*, Sp. *Billete endosado por un tercero*.)

A bill which is distinguished in commerce from a drawn bill, by having the name of a third party upon it in the form of an indorser. A drawn bill is a foreign bill which is negotiated direct from the drawer to a London foreign banker ; a made bill is usually a foreign bill which is forwarded from some provincial town to a correspondent in London, where it is indorsed by the correspondent in his own name and then negotiated. A foreign bill, therefore, may be either a drawn bill or a made bill, according to the manner in which it is dealt with by the drawer.

Suppose a bill drawn in the following form :—

" Manchester, January 1, 1903.

" £750.

Fifty days after sight pay this first Bill of Exchange (second and third unpaid) to our order, seven hundred and fifty pounds sterling, for value received.

Smith and Robinson.

To Mr. H. Hermann,
Berlin."

If this bill is sent by the drawer direct to the London offices of the banker who is the agent of the Berlin merchant, it is a drawn bill ; but if, on the contrary, it is first sent to a London correspondent to be indorsed by him, and then indorsed and negotiated, it is a made bill.

Hence, all bills which are drawn abroad, and payable abroad, but previously negotiated in London, are made bills, bearing, as they do, the indorsements of a London firm or correspondent.

MAIL. (Fr. *Malle, dépêches*, Ger. *Post-(sachen)*, Sp. *Correo, Mala*.)

The general term for letters and correspondence.

The following facts and figures are extracted from the Post Office Guide for January, 1903. This is a quarterly publication, and the rates, times, etc., are subject to periodical variation.

Inland Letters.—Letters not exceeding four ounces in weight are charged one penny ; for those exceeding four ounces the postage is one halfpenny for every additional two ounces. There is no limit as to weight ; but the maximum allowed for size is length two feet, width one foot, depth one foot, unless sent to or from a Government office. A letter posted unpaid is charged with double postage on delivery ; if insufficiently paid, with double the deficiency.

Most of the railway companies of the United Kingdom have entered into agreements with the Postmaster-General by which letters can be conveyed by the earliest available train or steamboat. No letter must exceed four ounces in weight, and in addition to the penny stamp, a sum of twopence must be paid to the servant of the railway company. The letter may be addressed to be called for at the station to which it is sent, or may be transferred thence to the nearest letter-box for postal delivery. If the letter is not handed in at the passenger railway station it must be delivered at an express delivery post office for immediate conveyance to the railway station by special messenger. For this an express fee is charged at the rate of threepence per mile.

Letters and parcels can be more quickly delivered than in the ordinary way.

(1) By special messenger all the way ; this being the most rapid service, costing 3*d*. for every mile or part of a mile for the first pound in weight, and 1*d*. per pound for every pound or part of a pound beyond the first pound. Letters or parcels intended to be sent by special messenger must be handed in at an express delivery office ; but articles of a

dangerous or offensive character are not accepted.

(2) By special messenger after transmission by post. Letters intended for express delivery from the post office of destination may be posted like ordinary letters, but they must be clearly marked

Express Delivery,

and have a thick perpendicular line drawn on each side of the envelope from top to bottom both front and back. The fee in addition to the ordinary postage is 3*d.* for every mile or part of a mile from the office of delivery.

(3) By special delivery in advance of the ordinary mail. Persons, or firms, who wish at any time to receive their letters and other postal packets, including parcels, book packets, newspapers and circulars in advance of the ordinary delivery, may have them brought by special messenger by paying threepence per mile for one packet, and one penny for every additional ten or less number of packets beyond the first.

There are various other facilities for quickening the despatch of letters and parcels, both in the United Kingdom and in a number of foreign countries, full particulars of which will be found in the Post Office Guide.

As a rule, the prepayment of inland letters, private post cards, newspapers, book packets, and parcels can only be effected by means of postage stamps. In London, Edinburgh, Dublin, and certain provincial towns, prepayment may be made in money, provided the amount paid is not less than £1. The conditions upon which money will be received instead of stamps may be learned on applying at the post offices concerned.

Arrangements may be made with the postmaster of any place for postmen to collect ordinary letters from private letter boxes of approved pattern at hotels, business premises, or offices at a minimum charge of £3 per year. There is a special arrangement, at lower rates, in force in London. This is, however, quite experimental.

Private letter boxes may be rented at certain post offices for an annual rent of from one to three guineas a year; and private letter bags may be used in the country at varying rates.

Notice of removal and for the redirection of letters must be given on printed forms, which can be obtained from the local postmaster or from postmen. The notice holds good for twelve months. It may, however, be extended on payment of a fee of 1s. a year up to the end of three years after the removal.

Letters may be reposted on the day of arrival if they do not appear to have been opened or otherwise tampered with. If reposted more than a day after delivery, Sundays and public holidays not being counted, the ordinary prepaid rate is charged.

Undelivered inland letters, bearing the full name and address of the sender, are returned unopened. Others are opened and returned, if possible, to the senders, a registration fee of twopence being charged if the letter contains anything of value. Those which contain no address and no articles of value are at once destroyed. Foreign letters which cannot be delivered are returned to the countries from which they were received. Book packets which have a request written or printed upon cover to return them in case of non-delivery, are charged with a second postage; otherwise they are destroyed.

Registered Letters.—All letters containing coins, watches, or jewellery are subject to compulsory registration. The term jewellery includes gold or silver, manufactured or unmanufactured, diamonds, and other precious stones. Letters containing documents of special value or securities for money or paper money should be registered. Under the term paper money, the following are included—

(1) Authorities for the payment of money, (2) bank notes, (3) bank post bills, (4) bills of exchange, (5) bonds, (6) cheques, (7) coupons, (8) credit notes, which entitle the holder to goods or money, (9) exchequer bills, (10) money orders, (11) orders for the payment of money, (12) postal orders, (13) postage stamps (unobliterated), (14) promissory notes, (15) revenue stamps (unobliterated), (16) securities for money of all kinds.

Letters of which it might be important to prove the delivery should also be registered. By doing so the sender gains the benefit of the increased care taken by the post office to avoid loss. Every person who handles a registered letter has to give a receipt for the same.

The fee for registering an inland letter, postal packet, or parcel, is twopence. This fee, which must be prepaid with the postage, secures compensation in the event of loss or damage up to £5, except in the case of coin. Additional compensation up to a maximum of £120 can be obtained by paying higher

fees, according to the following scale :—

Fee.	Limit of Compensation.	Fee.	Limit of Compensation.
2*d.*	£5	9*d.*	£70
3*d.*	£10	10*d.*	£80
4*d.*	£20	11*d.*	£90
5*d.*	£30	1*s.* 0*d.*	£100
6*d.*	£40	1*s.* 1*d.*	£110
7*d.*	£50	1*s.* 2*d.*	£120
8*d.*	£60		

Every article to be registered must be given to an agent of the post office, and a receipt obtained for it, or it will be liable to a double registration fee. It must be marked with the word *Registered*, and the amount of the fee paid according to the compensation secured. For letters and official papers the registered envelopes, with the registration stamp embossed on the flap, should be used ; and for specie they must be used.

The compensation paid in respect of loss or damage of coin never exceeds £2, whatever the amount of coin contained in the letter may have been, and no compensation will be paid at all if a registered envelope is not used.

Inland Post Cards.—These are either official or private. The former bear an impressed halfpenny stamp. The following regulations must be observed as to them :—

(1) Nothing likely to prevent the easy reading of the address may be written or printed on a post card.

(2) Private Post Cards are made of ordinary cardboard, no thicker than that used for official cards, and have a halfpenny stamp affixed to the face of each. The largest size must be the same as that of the largest official card, that is, five and a half inches by three inches and a half ; and the minimum size must not be less than three and a quarter by two and a quarter inches.

(3) An official post card is neither folded nor cut in any way so as to reduce the size below three and a quarter by two and a quarter inches.

(4) Nothing is attached to a post card on either side except stamps in payment of additional postage or stamp duty, and a gummed label, not exceeding two inches long and three quarters of an inch wide, bearing the address at which the card is to be delivered.

Book Packets.—Packets which do not exceed two ounces in weight may be sent for one halfpenny : if exceeding two ounces they pass unconditionally at the same rate as letters. The limits of length, width, and depth are the same as those of letters.

Book packets include any matter wholly printed on paper (paper sent as stationery not admissible), books and periodicals, manuscript, invoices, deeds and agreements, circulars produced in identical terms by any mechanical process (but not to include typewriting or imitations thereof), prints or photographs (when not on glass, or in cases containing glass, or any like substance), together with the legitimate binding or mounting, and anything necessary for safe transmission. The packet must be open at the ends, but may be tied with string, or in an unfastened envelope, or cover easily removed, and must contain no communication in the nature of a letter.

Newspapers.—These pass through the post within the limits of the United Kingdom for one halfpenny each, provided they are registered at the General Post Office. The cost of registration is five shillings a year. Unregistered newspapers are charged at the rate of one halfpenny for every two ounces. The weight of a packet of newspapers must not exceed 5 lbs., nor be of greater dimensions than two feet in length, and one foot in width or depth.

Poste Restante.—This is intended solely for the accommodation of strangers and travellers who have no permanent abode in the town. Letters and parcels may be addressed to the Poste Restante at every Head Post Office in the United Kingdom and to all Branch Post Offices in London. Letters or parcels to be called for should have the words " Poste Restante " included in the address. No initials, or fictitious names, or Christian name only, will be taken in, but are at once sent to the Returned Letter Office for disposal ; and all persons applying for " Poste Restante " letters must prove their identity. Foreigners must produce their passports. Poste Restante letters from abroad are not kept more than two months ; at Provincial Post Offices only one month ; letters posted in London, for one fortnight. After these intervals they are sent up to the Returned Letter Office. When, however, letters addressed " to be called for " bear a request for their return within a specified time, if not delivered, they are dealt with in accordance with such request.

Inland Parcel Post.—In order that a packet may be sent by inland parcel post, it must be presented at the counter of a post office for transmission as a

parcel; but it must, on no account, be deposited in a letter-box. The words Parcel Post should be written or printed on the left-hand side immediately above the address, and the sender's name and address should appear on the cover, but in such a manner that it cannot be mistaken for the address of the parcel.

The Dimensions allowed for an inland postal parcel are—

Greatest length	3 ft. 6 in.
Greatest length and girth combined	6 ft.
Greatest weight	11 lbs.

For example, a parcel measuring 3 feet 6 inches in length may measure as much as 2 feet 6 inches in girth; and a shorter parcel may be thicker; thus should it measure no more than 3 feet in length, it may measure as much as 3 feet round its thickest part.

The full postage must be prepaid by means of postage stamps, which must be affixed by the sender. The postage stamps should either be affixed to the cover close above the address in the right-hand corner, as in the case of a letter, or to the official parcel post label which may be obtained at the post office.

The rates for inland parcel post are as follows:—

	s.	*d.*
Not exceeding 1 lb. in weight .	0	3
Exceeding 1 lb., but not exceeding 2 lbs.	0	4
Exceeding 2 lbs., but not exceeding 3 lbs.	0	5
For each additional lb. up to 9 lbs.	0	1
Exceeding 9 lbs., but not exceeding 11 lbs.	1	0

The following must not be sent by post:—

(1) Anything of an offensive character.

(2) Explosives, dangerous or noxious substances.

(3) Sharp instruments, not properly protected.

(4) Living creatures, except bees.

A postal packet must not contain an enclosure bearing a name and address differing from the name and address on the cover. Should any packet be observed to contain such enclosures, when tendered for transmission, it will be refused; and if any such packet is detected in transit, each forbidden enclosure is taken out, forwarded to the addressee, and charged with separate postage at the prepaid rate.

Liquids, glass, china, crockery, eggs, fruit, fish, meat, butter, etc., cannot be sent except by parcel post, and they must be carefully packed.

Foreign Mails.—As almost every country in the world has joined the Postal Union, the rates of postage abroad are now as simple as they once were complicated. The rates for all foreign countries are as follows:—

For a letter, 2½*d.* per half ounce; for a single post card, 1*d.*; for a reply post card, 2*d.*; for newspapers and other printed papers, ½*d.* per two ounces; for commercial papers, ½*d.* per two ounces, with a minimum charge of 2½*d.* Nothing in the nature of a letter may be sent at this rate; for patterns and samples, ½*d.* per two ounces, with a minimum charge of 1*d.* There are certain limits of weight with various countries, all of which are detailed in the Post Office Guide. No article liable to customs duty can be sent as a pattern or sample.

Since the establishment of the Imperial Penny Postage in 1898, the charge for letters to all British colonies and dependencies, except Australia, Bechuanaland, and Rhodesia, is 1*d.* per half ounce.

The time occupied in the transmission of letters has been continually accelerated. The following is the approximate number of days and hours required for sending a letter from London to the following places:—

Name of Place.	*Days.*	*Hrs.*
Accra	17	—
Adelaide	30	14
Aden	10	—
Aix-les-Bains	—	20
Alexandria	5	12
Algiers	2	4
Ambriz	24	—
Amsterdam	—	12
Antigua	14	16
Antwerp	—	10
Arica (via Panama)	35	—
„ (via Magellan)	43	—
Ascension	26	—
Athens	4	—
Auckland (via S. Francisco).	30	—
„ (via Suez)	39	—
Baden-Baden	—	22
Baghdad	24	—
Bahamas	11	—
Bahia	15	—
Bâle	—	20
Balearic Islands	3	—
Barbados	12	—
Barcelona	1	15
Batavia	27	—
Bathurst	16	—
Belgrade	2	9

Name of Place.	Days.	Hrs.
Belize	16	—
Benin	21	—
Bergen (via Newcastle)	2	—
Berlin	1	—
Bermuda	11	—
Berne	—	22
Beyrout	8	—
Biarritz	1	1
Bombay	14	14
Bordeaux	—	20
Boston, U.S.A.	9	—
Bremen	—	19
Brindisi	2	12
Brisbane	33	14
Brussels	—	8½
Bucharest	3	11
Buda-Pesth	1	15
Buenos Ayres	22	—
Cadiz	3	2
Cairo	6	—
Calcutta	17	—
Callao (via Panama)	30	—
Cameroons	23	—
Cape Coast Castle	17	—
Cape Palmas	22	—
Cape Town	17	—
Carthagena	25	—
Chicago	9	12
Christiania	2	11
Cologne	—	13
Colombo	16	—
Colon	19	—
Congo	26	—
Constantinople	3	6
Copenhagen	1	10
Coquimbo	34	—
Corfu	3	—
Cyprus	8	—
Delagoa Bay	21	—
Demerara	13	20
Dominica	13	16
Dresden	1	1
Falkland Islands	25	—
Fiji (via Vancouver)	30	—
,, (via Suez)	44	—
Florence	1	19
Frankfurt-on-Maine	—	19
Geneva	—	23
Genoa	1	8
Gibraltar	3	14
Gothenburg	1	22
Grand Bassa	20	—
Grand Canary	5	—
Grenada	13	8
Grey Town	23	—
Guadeloupe	14	..
Guayaquil	24	—
Hague, The	—	11
Hamburg	—	21
Hanover	—	19
Havana	12	—
Heidelberg	—	21

Name of Place.	Days.	Hrs.
Hobart	34	—
Hong Kong (via Brindisi)	29	—
,, (via Vancouver)	40	—
Honolulu	18	—
Iceland	6	—
Irkutsk	12	12
Jamaica (via Bristol)	13	—
,, (via Southampton)	15	21
Kurachee	17	—
Lagos	19	—
Lima	30	—
Limon	22	—
Lisbon	2	4
Lucerne	—	23
Lyons	—	17
Madeira	4	—
Madras	17	—
Madrid	1	22
Malaga	3	—
Malta	3	6
Mandalay	21	—
Manila	32	—
Marseilles	—	23
Mauritius	28	—
Melbourne	31	14
Mexico	12	—
Milan	1	7
Mombasa	20	—
Monrovia	14	—
Monte Video	21	—
Montreal	9	—
Montserrat	14	7
Moscow	2	19
Mozambique	30	—
Munich	1	2
Muscat	20	—
Naples	2	3
Natal	21	—
Nevis (West Indies)	15	7
Newfoundland	9	—
New York	8	—
Nice	1	2
Nova Scotia (Halifax)	9	—
Odessa	2	19
Old Calabar	22	—
Oporto	2	11
Ottawa	9	6
Palermo	2	22
Panama	19	4
Paris	—	8
Payta	26	—
Penang	22	—
Pernambuco	14	—
Perth (West Australia)	27	—
Port-au-Prince	15	—
Port Said	5	—
Prague	1	11
Quebec	9	—
Rangoon	24	—
Reggio	3	—
Rio de Janeiro	17	—
Rome	1	21

Name of Place.	*Days.*	*Hrs.*
Rotterdam	—	10
St. Helena	15	—
St. Kitts	15	10
St. Louis (U.S.A.)	9	—
St. Lucia (West Indies)	12	21
St. Petersburg	2	15
St. Paul de Loanda	22	—
St. Thomas (West Indies)	16	3
St. Vincent (Cape de Verd)	9	—
St. Vincent (West Indies)	12	20
Salonica	3	4
Samoa	25	—
San Francisco	12	—
Santander	2	12
Savanilla	23	—
Seychelles	19	—
Shanghai (via Vancouver)	37	—
,, (via Suez)	32	15
Sierra Leone	13	—
Singapore	23	—
Smyrna	6	—
Stockholm	2	—
Strasburg	—	17
Suez	5	12
Sydney	32	14
Syracuse	3	7
Tamatave	21	—
Tangier	4	3
Teheran	22	—
Teneriffe	5	—
Tiflis	10	—
Tobago	14	17
Tomsk	9	—
Transvaal (via Cape)	20	—
Trieste	2	13
Trinidad	13	21
Turin	1	5
Valparaiso (via Panama)	41	—
,, (via Magellan)	33	—
Vancouver	15	—
Venice	1	11
Vichy	—	18
Vienna	1	7
Vigo	3	—
Vladivostock (Summer)	29	—
,, (Rainy Season)	35	—
Washington	9	—
Wellington (via San Francisco)	31	—
,, (via Suez)	40	—
Winnipeg	13	—
Yokohama (via Vancouver)	32	—
,, (via Suez)	38	—
Zanzibar	22	—
Zurich	—	23

Foreign and Colonial Parcel Post.—The regulations for prepayment, address, etc., are similar to those for inland postage. The rules as to dimensions and the rates of postage vary with different countries, full particulars of which may be obtained at any post office or from the Post Office Guide.

Parcels for many foreign countries and British possessions abroad may be insured, and parcels containing coin, or any article of gold or silver must be insured. The maximum amount of insurance, at present, is £123, and the following are the rates :—

	s.	*d.*
To secure compensation up to £12, a fee of	0	5
Ditto £24	0	7½
Ditto £36	0	10
Ditto £48	1	0½
Ditto £60	1	3
Ditto £72	1	5½
Ditto £84	1	8
Ditto £96	1	10½
Ditto £108	2	1
Ditto £120	2	3½

All foreign and colonial parcels are liable to be opened for customs examination, and their contents are subject to customs duty in the country or colony to which they are sent. This duty cannot be prepaid; but is, in each case, collected on delivery. The sender of every parcel is required to make a customs declaration on a form provided for that purpose.

This form must contain

(1) An accurate statement of the nature and value of the contents of the parcel;

(2) The date of postage; and

(3) The net weight of the articles contained in the parcel.

It should be filled up in French and English, if destined to the continent of Europe, and should also be accompanied by a despatch note.

Letters and parcels may be insured to any amount at Lloyd's, with the underwriters there, or at any marine insurance offices in the same way as goods sent by sea; and this applies both to inland and foreign letters or parcels.

The time required for the transmission of foreign and colonial parcels is rather longer than that for letters and newspapers.

MAIL-DAY. (Fr. *Jour d'expédition des dépêches*, Ger. *Posttag*, Sp. *Dia de correo.*) The day set apart by merchants for foreign correspondence, being the day on which mails are despatched by the post office to certain places abroad. Owing to the easy methods of transmission and the frequent services between this and other countries, the name has become restricted to the days upon which mails must be sent to the particular country with which the merchant carries on his principal business. For

India letters are made up and must be posted every Friday evening, for the Cape and Rhodesia every Saturday afternoon, for Australia every Friday evening, for Newfoundland every alternate Friday evening. There is daily communication with almost every country in Europe, and letters are despatched at least three times a week to Canada and the United States.

MALA FIDES. Bad faith, the opposite of *bona fides*.

MALA FIDE. In bad faith.

MAINTENANCE. (See *Barratry* (2).)

MAKING-UP DAY. (Fr. *Jour de report*, Ger. *Reporttag*, Sp. *Dia de arreglo*.)

The first day of the settlement on the Stock Exchange.

MAKING-UP PRICE. (Fr. *Cours de liquidation*, Ger. *Liquidationkurs*, Sp. *Curso de la liquidación*.)

This is a Stock Exchange phrase for the price at which stocks or shares, which are the subject matter of a speculative transaction, are closed for the current settlement, and carried over to the next settlement day. The stocks or shares are not taken up or delivered, but the transaction is closed, and then re-opened (plus the contango, or minus the backwardation) for the next account.

MALTA. Malta is the largest island of a group of three principal and many small ones situated sixty miles south of Italy, having numerous safe harbours. The population, which is mainly of Arab descent, numbers 176,000. Valetta, the chief town, is, for half the year, the station of the British Mediterranean fleet. It is strongly fortified. Here are extensive main stores and a naval hospital, for Malta is the most important coaling and supply station on the route to the east. The garrison is nearly double as strong as that of Gibraltar.

The colony includes the adjoining islands of Gozo and Comino, as well as several islets, all of which are densely populated and highly cultivated. The chief products are cotton, corn, oranges, melons, grapes, and early potatoes for the London market.

Mails are despatched to Malta every afternoon, via Naples. Valetta is about 2,000 miles distant from London. The time of transit is three days six hours. The cost of telegrams is 6*d*. per word.

MANDAMUS. A Latin word, signifying "we command." It is a writ issued by the Court of King's Bench requiring a person or a body of persons to perform some particular act. Its use is practically confined to the enforcement of certain public rights and duties. The corresponding writ which forbids the performance of a particular act is one of prohibition.

MANDATE. (Fr. *Mandat*, Ger. *Mandat, Vollmacht*, Sp. *Mandato*.)

A contract by which one man employs another to manage any business for him. The word also signifies a judicial command.

MANIFEST. (Fr. *Manifeste*, Ger. *Manifest*, Sp. *Manifesto*.)

A document which contains the description, marks, numbers, etc., of the various packages comprised in the cargo of a ship. It is one of the documents included in the ship's papers, and is required for delivery to the Custom House authorities at the port of destination.

MANUFACTURE. (Fr. *Fabrication*, Ger. *Fabrikation*, Sp. *Fabricación*.)

Originally this meant the making of anything by hand, but now it is generally applied to the transformation of raw materials into finished products, mainly by machinery.

MARGIN. (Fr. *Marge, limite*, Ger. *Hinterlegung*, Sp. *Margen*.)

As referring to operations under the "cover" system, this signifies the extreme point which a price must touch before the cover is exhausted. The term margin is sometimes used in the same sense as cover. It also signifies a discretion of so much per cent., or so much per share, allowed to work upon, over a named price, should it not be possible to do business at the price fixed.

MARINE INSURANCE. (Fr. *Assurance maritime*, Ger. *Seeversicherung*, Sp. *Seguro Maritimo*.)

A contract whereby one party, for a stipulated sum, undertakes to indemnify the other against loss arising from certain perils or sea risks, to which his ship, merchandise, or other interest, such as freight, may be exposed during a certain voyage, or for a certain period of time. Like fire insurance, it is a contract of indemnity, that is, the insured cannot claim more than his actual loss. The insurance is generally effected with a number of individuals called "underwriters." This term arises from the fact that the persons who signify their willingness to take part in the risk as insurers subscribe their names to the policy, and state the sum for which they respectively agree to be liable. The best known association of underwriters is Lloyd's.

The policy is generally negotiated by an insurance broker, employed by the insured. As the broker is personally liable to the underwriters for the premium, his position is rather that of a middleman than an agent. The practice is for the broker to prepare a brief memorandum of the terms of the intended policy, and for the underwriters to initial it for the amount each of them proposes to underwrite. This document is called the "slip."

The policy of marine insurance is very complex in its terms. Every clause has been examined at some time or other by the courts, and the meaning of each is well known to persons connected with the shipping world.

The insured must have an insurable interest in the ship or its cargo at the time the insurance is effected. If the words "lost or not lost" are inserted in the policy, the insurance will be valid even though the loss occurred prior to the effecting of the insurance, if unknown at the time to the insured.

The principal kinds of marine insurance policies are—

(1) Valued. The agreed value of the subject matter insured is stated in the policies. This statement of value is conclusive between the parties in case of loss, even though it is in excess of the actual value of the subject matter. As in other contracts fraud invalidates such policies. Ships and freights are generally so insured.

(2) Open. In open policies the value of the subject matter is not stated, but is left to be proved by evidence if any loss occurs. Goods are usually so insured, since their value can be easily ascertained.

(3) Voyage. The risk undertaken is confined to the particular voyage named in the policy.

(4) Time. The policy is made for a fixed period, not exceeding one year and thirty days in length, and the risk undertaken is for any loss which may happen during that time, irrespective of the voyage or voyages undertaken.

Policies of marine insurance are issued subject to certain express warranties inserted in them. Apart from special warranties there are certain implied warranties which have the same legal force as though they were set out in the policies. The principal implied warranties are seaworthiness, non-deviation, and the legality of the voyage, though it appears that there is no implied warranty of seaworthiness in a time policy.

A ship may be totally lost, or it may be injured only. In the former case, where the ship and the cargo are totally lost or destroyed, the full amount of the loss is recoverable from the underwriters. In the case of a partial loss, the extent of the injury must be ascertained before any claim can be made. The amount recoverable is not the full extent of the damage sustained. The ship-owner must bear a portion of the cost of renewing his ship, generally one-third, seeing that he is getting the benefit of new materials for repairs, and the underwriter can only be called upon to pay the remaining two-thirds. As to the amount recoverable for the partial loss of cargo, the calculation is made according to recognized rules, and the estimated loss depends mainly upon the different values of the goods (1) at the port of despatch; (2) at the port of destination as if perfect; (3) at the port of destination in their damaged condition.

There may be a constructive total loss, that is, the ship and the cargo may be in such a position as to render it doubtful whether they can be saved, or whether it is worth the cost of making an effort to save them. They are then abandoned to the underwriters, notice of such abandonment being given. (See *Abandonment.*)

Policies are stamped—

Where the premium does not exceed the rate of 2*s.* 6*d.* per cent. of the sum insured 1*d.*

For every £100, or fractional part thereof, insured upon any voyage 3*d.*

In time policies for every sum of £100, or fractional part thereof—

If the time does not exceed six months 3*d.*

Ditto twelve months . . . 6*d.*

Prior to the Judicature Act, 1873, policies of marine insurance had been made assignable at law, although being *choses in action*, by the Marine Insurance Act, 1868 (31 & 32 Vict. c. 86). (See *Assignment.*)

MARITIME LAW. (Fr. *Loi maritime*, Ger. *Seerecht*, Sp. *Ley de navegación.*)

That particular branch of commercial law which relates to ports, harbours, ships, navigation, pilots, lighthouses, etc.

MARITIME LIEN. (Fr. *Sécurité de détention*, Ger. *Seepfandrecht*, Sp. *Seguridad Marítima.*)

A privileged claim upon a thing in respect of services rendered to it, in

connection with some maritime adventure. It differs from the common law lien in that it does not depend upon possession, and attaches to the ship wherever she may be. It is enforceable by arrest and sale, if necessary, at the instance of the Admiralty Court. Maritime liens arise out of salvage, bottomry bonds, damages through collision, seamen's wages, payments made by the master on account of the ship, and the services of pilots.

MARK. (Fr. *Mark*, Ger. *Mark*, Sp. *Marco.*)

The unit of accounts and exchange in the German Empire, since January 1, 1876. The value of the coin is about 11¾*d.* At par value, 20.4 marks are equal to £1.

MARKED CHEQUES. (Fr. *Chèques visés*, Ger. *markirte Bankanweisungen*, Sp. *Cheques visados.*)

Cheques which have been marked by the bankers upon whom they are drawn that they are in order and will be paid in due course. These cheques are largely used in Canada and the United States. They are also known as "certified cheques."

MARKET or MART. (Fr. *Marché*, Ger. *Markt*, Sp. *Mercado.*)

A public place used for the purposes of commerce.

MARKET OVERT. (See *Sale.*)

MARKET PRICE. (Fr. *Cours du marché*, Ger. *Marktpreis*, Sp. *Precio del mercado.*)

The current price at which goods are sold in the market.

MARKET RATE OF DISCOUNT. (Fr. *Cours d'escompte*, Ger. *Privatdiskonto*, Sp. *Tipo de descuento.*)

The rate charged by bankers, bill-brokers, and others for discounting bills of exchange. It is usually lower than the bank rate, owing to competition, and the desire of the open market to get a good share of the business which is offered.

MARKET VALUE. (Fr. *Cours de marché*, Ger. *Marktwert, Tageskurs*, Sp. *Valor del mercado.*)

This means the sum of money which can be obtained for goods or securities in the open market. Every article dealt in, even money itself, is at times enhanced or depreciated in value, owing to various affecting influences.

MARKING. (Fr. *Notation*, Ger. [illegible] *ones.*)

[illegible] this signifies the [illegible] at which actual business has been done in any security between the hours of eleven and three.

MARTINMAS. (Fr. *Le Saint Martin*, Ger. *Martinsfest*, Sp. *Fiesta escocesa de Setiembre.*)

The eleventh of November. This is one of the Scotch quarter-days.

MASTER AND SERVANT. (Fr. *Maître et serviteur*, Ger. *Herr und Untergebener*, Sp. *Amo y serviente.*)

The rights and duties arising out of the relationship of master and servant are generally settled by the contract of service. But there are a few points common to the hiring of servants, of whatever kind, to their dismissal, and to the giving of characters, which are practically settled by law, and to which no particular reference is made when the contract of service is entered into. It is these which are here dealt with. The responsibilities of an employer are further dealt with under the Employers' Liability Act, the Truck Acts, and the Workmen's Compensation Act.

Hiring.—When a servant is hired, whether an agent, a clerk, a domestic servant, or a governess, the contract may be a verbal one. But if the term of service is to extend beyond a year the contract should be in writing to satisfy the fourth section of the Statute of Frauds. What is required is some memorandum or note signed by the party to be charged therewith, or by some other person authorised by him. The memorandum need not be a formal one, but it must contain the names of the parties, and set out the consideration for the hiring, that is, the amount of the salary or wages to be paid. An agreement may be collected from a series of letters.

When no time is fixed for the duration of the contract of service, either expressly or by implication, the hiring is considered to be a general hiring, and the legal presumption is that it is a hiring for a year. Also, if the hiring is for a year, and the year's service is not performed, a servant cannot recover his wages. But this rule is of no practical importance, for there are many circumstances which will easily rebut the presumption of yearly service. The payment of wages at shorter intervals than a year, and the evidence of a general custom in a particular calling as to length of service would tend to show that the hiring was not for a year. Again, if there is no specific contract of hiring, but there is evidence of service, the servant can recover his reasonable wages for the time he has served. Servants of the Crown, whether civil

naval or military—unless it is otherwise provided—hold their offices only during the pleasure of the Crown. And further, no engagements made by the Crown with any of its naval or military officers in respect of services, either present, past or future, can be enforced in any court of law.

Termination of Service.—The contract of service is terminated by the death of one of the parties, or by proper notice. The contract being a personal one, no substitute can be placed in the positions of the original parties. If, therefore, after the death of a master a servant is retained to do certain work, even of the same character which he has previously performed, it is a presumption of law that there is a new contract of service, entered into with the representatives of the deceased. As to the length of notice required, when the contract of service is to be terminated in this manner, much will depend upon the special circumstances of each case. If the hiring is a general one, that is, presumed to be for a year, a servant cannot be dismissed, except for misconduct, until the year has expired. This rule, however, is eaten up with exceptions. If wages are payable weekly, the hiring will generally be held to be a weekly one, and then a week's notice is sufficient. A clerk can be discharged with three months' notice, and a menial servant with one. The term menial servant has been held to include a head gardener residing in a detached house in his master's grounds, and a huntsman, but not a governess. When there is no stipulation as to the length of notice to be given, there must be a reasonable or customary notice. What is a reasonable notice is a question of fact in each case. In the case of an advertising agent a month's notice was found to be sufficient. In another case, where a stationery clerk in a telegraph office had a yearly salary of £135, paid fortnightly, it was left to the jury to say what was a reasonable notice for a person in his position, and they found that a month was. Where there is any doubt as to the notice which ought to be given, the matter should be settled by the parties themselves at the time of the formation of the contract.

The question as to what is a reasonable and customary notice in the case of domestic servants has been the subject of recent judicial consideration. The plaintiff entered the service of the defendant as a housemaid on March 1. On March 12 the plaintiff gave notice to leave on April 1, and did leave, but on leaving her mistress refused to pay her a month's wages. The case was first tried in a county court, where the servant endeavoured to establish that a custom was in existence under which either party to the contract of the hiring of a domestic servant was entitled, in the absence of special terms as to notice, to terminate the service at the end of the first month by a notice given before the expiration of the first fortnight. The servant further claimed that where notice is given in the first fortnight to leave at the end of the first month, the servant is entitled by custom to have the character with which she entered the service handed over to a subsequent employer. The county court judge decided that there was no such custom. In the Divisional Court, on appeal, it was held that the county court judge had come to a correct decision, but that the custom as to notice would not be unreasonable if clearly proved to exist. "As to the alleged custom of a servant under these circumstances being entitled to leave at the end of the first month, I think it would be a reasonable one, and, if established by evidence, ought to be acted upon. As to the alleged custom of handing on the character, I think such a custom would be unreasonable. There is no obligation imposed upon a master or mistress to give a character to a servant, but if a character is given, it ought to be a true one. Therefore, if a servant were hired with a good character from his or her last place, and it afterwards came to the knowledge of the master or mistress that such character was undeserved, and practical experience would be sufficient, it would be dishonest, with such knowledge, to pass on the good character to a subsequent employer."

Since the decision in this case another county court judge held that the custom was proved by the evidence adduced before him, and gave judgment for the servant for a month's wages, which were claimed under circumstances similar to those in the preceding case.

Mutual Duties.—A servant must use proper care in dealing with the property of his master which is entrusted to him. If he is guilty of gross negligence by which such property is injured, he will be liable to an action at law. There is no duty laid upon him to protect the property at all risks, and he will not be

responsible for losses arising through robbery. The whole of the servant's working hours are at the disposal of his master, and may be utilised in any manner the master desires, though no servant can be compelled to obey any unlawful command or order. The strictest honesty is demanded in dealing with the goods or property of the master, and also with any moneys paid to the servant for his master. If a servant retains and converts to his own use any sum of money which is paid to him on behalf of his master he is guilty of embezzlement. Such an act, on the part of any other person than a clerk or servant, would not be a criminal offence, and could only give rise to an action in a civil court.

A master is responsible for the negligent acts of his servant, whereby a third party is injured, provided the servant is acting in the ordinary course of his duty, and within the scope of his authority. But if the servant is engaged in some enterprise or business which is altogether unconnected with his service, or if he is chargeable with anything which imposes a criminal liability upon him, the master is not responsible.

Again, it is the duty of every master to indemnify his servant from the consequences of doing anything in obedience to orders, the servant at the time believing them to be lawful. But there is no obligation to indemnify if the servant knew that the orders were unlawful, nor if damage has arisen to the servant through acting in direct disobedience to his master's orders.

In the case of a domestic servant, no master or mistress should ever take upon himself or herself the responsibility of searching boxes, etc., if a theft is suspected. Either a search warrant should be obtained, or a constable should be consulted and asked to act upon the information given to him. The reason for the distinction is that whereas a constable can act upon reasonable suspicion of a felony having been committed, a private person must, in addition, have good grounds for suspecting a particular person before he can act with safety.

Dismissal.—A servant may be summarily dismissed for wilful disobedience, gross moral misconduct, inattention, incompetence, claiming to be a partner, and conduct incompatible with the performance of his duties. Little difficulty arises as to the first four of these grounds for dismissal, though a master must not act too capriciously, nor in too narrow a spirit. The last ground opens a much wider field. No general rule can be laid down as to what will constitute a good cause for summary dismissal, though the judgment of a former Master of the Rolls may be read with advantage as a valuable guide. In an action for wrongful dismissal the plaintiff was the confidential clerk of a firm of general merchants and commission agents, who were in a very large way of business. The defendants discovered that the plaintiff was speculating in differences on the Stock Exchange to the extent of many hundreds of thousands of pounds, and immediately dismissed him from their service. It was held that they were entitled to do so. The late Lord Esher said: "The rule of law is, that where a person has entered into the position of servant, if he does anything incompatible with the due and faithful discharge of his duty to his master, the latter has a right to dismiss him. The relation of master and servant implies necessarily that the servant shall be in a position to perform his duty duly and faithfully, and if by his own act he prevents himself from doing so, the master may dismiss him. It is not that the servant warrants that he will duly and faithfully perform his duty; because, if that were so, upon any breach of his duty his master might bring an action against him on the warranty. But the question is, whether the breach of duty is a good ground for dismissal. I have never hitherto heard any doubt that that is a true proposition of law. What circumstances will put a servant into the position of not being able to perform, in a due manner, his duties, or of not being able to perform his duty in a faithful manner, it is impossible to enumerate. Innumerable circumstances have actually occurred which fall within that proposition, and innumerable circumstances which never have yet occurred, will occur, which also will fall within the proposition. But if a servant is guilty of such a crime outside his service as to make it unsafe for a master to keep him in his employ, the servant may be dismissed by his master; and if the servant's conduct is so grossly immoral that all reasonable men would say that he cannot be trusted, the master may dismiss him. The question is whether we can differ from the learned judge who has determined the question of fact with reference to a confidential clerk to merchants, who,

in the course of his duty, might have to advise his masters upon monetary matters, and who, in the course of his duty, might be called upon by his masters to have in his hands securities of great value, but who is found during the service, secretly from his masters, to have been engaged not in one or two small transactions, but in enormously large gambling transactions on the Stock Exchange in differences, so that he might at any time be landed in immense losses; and whether we can say that the learned judge is wrong in holding that a man who has done that whilst he was a servant, has done that which is incompatible with a safe performance of his duty to his masters; and if the learned judge has held that such a clerk, by such a course of conduct to such an extent has brought himself into a position that the masters cannot fairly rely upon his faithfulness—because the clerk has palpably left himself open to temptation, so great that it is beyond safety to the masters and to the masters' business—the question is whether we can say that the learned judge is wrong, or that a jury would be wrong, in finding that that is incompatible with the safe performance of his duty to his master. Wherever a clerk in a mercantile service, or in a service of trust, breaks any of the rules of good conduct, and wherever a jury finds that the master was justified in dismissing him, I should like it to be known by all persons in that position that this court will uphold the decision, and I think that every judge and every jury, if such conduct is brought before them, as has been imputed to and proved against the plaintiff in this case, holding the position which he did in the office of merchants, would come to the conclusion that gambling to a large extent in differences is wholly incompatible with the due and faithful performance of his duties, if he does so unknown to his master. I should like to say in plain terms, so that it may be understood, that the moment it is made known to a master that his clerk has been gambling to anything like this extent on the Stock Exchange, that of itself will authorize any tribunal in saying that the master was justified in dismissing his servant."

On the dismissal of a servant, there is no necessity for the master to state the grounds for his dismissal. But if the servant brings an action for damages for wrongful dismissal, the master must prove that he had good grounds for acting as he did, otherwise he will be mulcted in damages. The measure of damages is the loss naturally arising from the effects of the dismissal. But a dismissed servant must not expect to receive, as a matter of course, his full wages for the unexpired term of service. The amount is to be reduced by his chances of obtaining other employment, and he must use his best efforts to get such other employment. It may, therefore, happen that the damages sustained are only nominal, and the servant cannot recover more.

A servant may be liable in an action to his master for quitting his service without proper notice. But the remoteness of the chance of obtaining any damages awarded in an action of this kind causes this class of case to be of the rarest occurrence. For maliciously breaking a contract of service in connection with municipal gas or water works, a servant may be criminally proceeded against, and summarily convicted.

Characters.—There is no legal obligation upon a master or mistress to give a servant a character. But if a character is given, it must be an honest expression of the belief of the person giving it, and if it is so it belongs to the class of privileged communications, for which no action of defamation of character will lie. But the proof of the existence of express or implied malice will destroy the privilege. All facts should be disclosed which are material, but with as little gloss as possible; and there should be no suppression of the truth as to any matters which might affect the mind of any person likely to engage the servant. The giving of a wilfully false character whereby another person is damnified may be a good cause for an action of deceit.

The giving of false characters, or the conspiring with other persons to bring about a contract of service by means of false characters or assertions, renders the party guilty of the same liable to a penalty of £20 and costs.

Disputes between Master and Servant.—Special provision is made for the settlement of disputes between employers and workmen, other than seamen or apprentices to the sea service, by an Act of 1875. It does not apply to domestic or menial servants. Proceedings may be taken in a county court, and the court may—

(1) Adjust and set off against each

other the claims of the employer and workman, whether the claims are liquidated or unliquidated, and are for wages, damages, or otherwise.

(2) Rescind, if it thinks proper, any contract between the workman and the employer on such terms as to the apportionment or payment of wages or damages as may appear just.

(3) Accept security from the defendant, with the consent of the plaintiff, that he will perform his contract. The security must be an undertaking by the defendant, and one or more sureties, that the defendant will perform his contract, subject, on non-performance, to the payment of a sum to be specified in the undertaking.

Where the amount claimed or in dispute does not exceed £10, the matter may be heard and determined by a court of summary jurisdiction. No security then taken may exceed £10.

It is an indictable offence for any persons to conspire together to obstruct an employer in the conduct of his business by persuading his workmen to leave him, so as to induce him to make a change in the mode of carrying on his business. But no action will lie against an official of a trade union for procuring the dismissal from their employment of non-union workmen in the same trade, unless the dismissal is brought about by the employer being induced to break his contract with the workmen. On the other hand, however, a malicious conspiracy of several persons to injure a person in his business by inducing his customers or servants to break their contracts with him, or not to enter into contracts with him, not to deal with him, or not to continue in his employment, when such conduct results in damage, is actionable. Moreover, if there is a cause of action against a trade union, the union itself may be sued in its registered name.

For the settlement of trade disputes, powers have been conferred upon the Board of Trade by the Conciliation Act, 1896. When it is shown that any difference exists between an employer and his workmen, the Board has authority to inquire into the causes and circumstances of the dispute, to take steps to arrange a meeting of the parties, and to appoint a person or persons to act as arbitrator, conciliator or as a board of conciliation. (See *Strike*, *Trade Union*.)

MASTER OF A SHIP. (Fr. *Maître, capitaine, patron*, Ger. *Kapitän, Schiffsführer*, Sp. *Amo, Patron, Capitan*.)

The commander of a merchant ship. The authority of the master is generally confined to the navigation of the ship, and to the absolute control over its management during the progress of a voyage. But this may be extended by special agreement, and in certain cases of necessity the master has power to raise money upon the ship or the cargo for the successful prosecution of the voyage.

MASTER PORTER. (Fr. *Surveillant d'embarquement*, Ger. *erster Auslader*, Sp. *Portero principal*.)

A person licensed by the various dock companies and harbour boards to attend to the receiving, weighing, and sorting of goods, or the proper discharge of vessels upon their arrival in port.

MATE. (Fr. *Lieutenant, second*, Ger. *Maat, Steuermann*, Sp. *Piloto*.)

In the mercantile marine the mate is the person who is the deputy of, or the next in command to, the captain. There are first, second, and third mates.

MATE'S RECEIPT. (Fr. *Reçu du second*, Ger. *Steuermannsschein*, Sp. *Recibo del Piloto*.)

The document given by the mate of a ship acknowledging that he has received certain specified goods on board. The receipt is subsequently given up to the ship-broker in exchange for the bills of lading.

MATURE. (Fr. *Echoir*, Ger. *fällig werden*, Sp. *Vencer*.)

In the case of a bill, to mature means to become payable.

MATURITY. (Fr. *Echéance*, Ger. *Verfalltag*, Sp. *Vencimiento*.)

This indicates the date upon which a bill of exchange, a promissory note, or other similar commercial document falls due, or is legally payable.

MAURITIUS (BRITISH). An island in the Indian Ocean, 500 miles to the east of Madagascar. It is a British Crown Colony. The area is about 710 square miles, and the population rather less than 400,000. The capital and chief port is Port Louis. The staple product of the island is sugar, the other principal exports consisting of rum, vanilla, aloe fibre, and cocoanut oil.

The following are dependent upon Mauritius: Seychelles, Rodriguez, and the Oil Islands.

Mails are despatched to Mauritius once a month via Ceylon, and twice a month via Marseilles. The time of transit is twenty-eight days. The cost of telegrams is 2*s*. 6*d*. per word.

MEASUREMENT ACCOUNT. (Fr.

Compte de marchandises au cubage, Ger. *Massrechnung*, Sp. *Cuenta de detalle de géneros por cabida.*)

An account taken by dock companies and ship-brokers of cased goods received for shipment, showing the length, breadth, and depth of the cases, for the purpose of calculating the freight, which, on light goods, is reckoned as 40 cubic feet to the ton.

MEASUREMENT GOODS. (Fr. *Marchandises au cubage*, Ger. *Massguter*, Sp. *Géneros por cabida.*)

Goods upon which the freight is charged by measurement, instead of by weight, 40 cubic feet being reckoned to the ton. Light goods in cases or bales are usually charged for in this way, as they take up so much more space than heavy goods.

MEMORANDUM OF ASSOCIATION. (Fr. *Bordereau d'association*, Ger. *Gesellschaftsvertrag*, Sp. *Memoria de Asociación.*)

The document which sets forth the objects for which a joint-stock company is formed, and the conditions under which it is incorporated. It is, in fact, the charter of the company. (See *Companies.*)

MERCANTILE. (Fr. *Mercantile*, Ger. *Kaufmännisch*, Sp. *Mercantil.*)

A word frequently used for, and synonymous with, commercial. It is derived from the Latin, *merx*, merchandise.

MERCER. (Fr. *Mercier*, Ger. *Seidenhändler*, Sp. *Mercero.*)

A merchant dealing in silks and woollen cloths.

MERCERY. (Fr. *Mercerie*, Ger. *Ellenwaren*, Sp. *Merceria.*)

The goods of a mercer, or the trade of a mercer. It is an American term, like grocery.

MERCHANDISE. (Fr. *Marchandises*, Ger. *Handelswaren*, Sp. *Mercaderia.*)

The goods or wares in which a merchant deals.

MERCHANT. (Fr. *Négociant*, Ger. *Kaufmann* Sp. *Commerciante, Negociante.*)

(1) One who carries on trade, especially on a large scale.

(2) One who imports and exports goods on his own account.

(3) One who receives the consignments of others and sells them on commission, when he is more properly an agent or broker.

(4) A dealer in home-trade industries, as a coal merchant, corn merchant, iron merchant, etc.

There are "general" merchants who trade to various parts with various goods; and there are "specific" merchants, engaged in particular branches of trade and to particular places.

MERCHANTMAN. (Fr. *Navire marchand, bâtiment marchand, bâtiment de commerce*, Ger. *Handelsschiff, Kauffahrteischiff.* Sp. *Buque mercante.*)

In nautical phraseology, this is the name applied to a vessel employed in the transport of goods and articles of commerce, in contradistinction to a man-of-war, or vessel used for warlike purposes.

MERCHANT'S MARK. (Fr. *Marque, marque de commerce, estampille*, Ger. *Handelsmarke*, Sp. *Marca del comercio.*)

In the Middle Ages, when tradesmen were forbidden to use heraldic insignia, they were allowed to use instead certain marks symbolic of their trade or occupation. Thus, a mason had his trowel and compasses, a tailor his shears, etc., whilst others used a monogram of initials as well. These marks were, in all probability, the origin of the trade-marks now in use.

MESSUAGE. (Fr. *Maison et dépendances*, Ger. *Haus mit Grundstücken, Wohnhaus nebst Anbauten*, Sp. *Casa y escritorio.*)

A dwelling house, its offices, and outbuildings and the adjoining lands (if any) appropriated to the use of the household.

METALLIC CURRENCY. (Fr. *Numéraire*, Ger. *Metallwährung*, Sp. *Metálico.*)

The authorized gold, silver, nickel, and bronze currency of a country as coined at the Government mints.

METRE. (M.). (Fr. *Mètre*, Ger. *Meter*, Sp. *Metro.*)

The unit or basis of the metric system of weights and measures. The metre is supposed to be, though this is not quite true, the ten millionth part of a quadrant of the meridian, that is, the distance from the pole to the equator, measured along the surface of the sea. In English measure it is about 3 feet 3¼ inches, or more exactly, 39.37079 English inches, or 3.2808992 English feet, or 1.0936331 English yards.

METRIC SYSTEM. (Fr. *Système métrique*, Ger. *Dezimalsystem, Metermass*, Sp. *Sistema métrico.*)

The system of weights and measures now used in most civilized nations, of which the metre is taken as the unit or basis, and from which the units of surface, capacity, and weight are derived.

The United Kingdom and the United States are the great exceptions to the

civilized countries which use the metric system. In both, however, Acts of Parliament and Congress have been passed authorizing the use of the metric system, though with little result. The great objection to a change from the present arbitrary and cumbrous weights and measures to systematic ones is the confusion that might take place during the change. Inquiries have been made from English representatives abroad as to the effect of a similar change in foreign countries. All seem to agree that the confusion likely to arise is exaggerated. The following was a portion of the reply of the English Ambassador in Berlin to an inquiry on the subject in February, 1900:—

"The difficulties were overcome with comparative success. The purchasing public soon learned to appreciate the simplicity of the new system, and they accepted without serious complaint the inconvenience inevitably connected with the period of transition. The Weights and Measures Regulations came into force on January 1, 1892, that is to say, about three and a half years after its introduction had been announced. Permission to use the new measures was granted, however, as early as January, 1870, in so far as the other party to a particular transaction concurred in their use. The interval thus granted was sufficient to insure the adoption of the new system in all its details; it also enabled the local bureaux to acquire the necessary apparatus, and to produce and certify the accuracy of the new measures in such quantities as to render their exclusive use in the various branches of industry an accomplished fact by January 1, 1892. This is all the more noteworthy, as previous to that date a very large number of different systems had been in use in Germany at the same time. It cannot be said that a serious desire exists in Germany at the present day to revert to the former state of things."

The metric system is a decimal one. The basis of all measurements is the metre which is the ten millionth part of the assumed length of the direct distance from the Pole to the Equator. The calculation of this length was made in 1795, and was adopted by the French Government as the unit.

One of the principal advantages of the metric system is that there is one definite unit taken for each set of measures, and the remainder are powers of ten of this unit. For the construction of a table, as soon as the unit is known, the other parts are formed by the following prefixes:—

Myria — 10,000 times.
Kilo — 1,000 times.
Hecto — 100 times.
Deca — 10 times.
Deci — $\frac{1}{10}$ of.
Centi — $\frac{1}{100}$ of.
Milli — $\frac{1}{1000}$ of.

The reduction from one denomination to another is performed by multiplying or dividing by some power of ten. Hence there is no alteration in the figures, but simply an alteration in the position of the decimal point.

Measure of Length.

The fixed unit is the metre, which is a little longer than a yard.

1 metre = 39.37079 inches.
1 yard = 91.43835 centimetres.
10 millimetres (mm.) = 1 centimetre.
10 centimetres (cm.) = 1 decimetre.
10 decimetres (dm.) = 1 metre.
10 metres = 1 decametre.
10 decametres (Dm.) = 1 hectometre.
10 hectometres (Hm.) = 1 kilometre.
10 kilometres (Km.) = 1 myriametre (Mm.)

The micron = $\frac{1}{1000000}$ metre is used for extremely small measures.

Measure of Area.

The unit of land measurement is 10,000 square metres, which is called a hectare. The are is therefore the square decametre.

1 are = 119.603 sq. yds.
1 sq. mile = 258.98945 hectares.
10 centiares ($\frac{1}{100}$ are) = 1 deciare.
10 deciares ($\frac{1}{10}$ are = 1 are.
10 ares = 1 decare.
10 decares = 1 hectare.

Measure of Volume.

The unit is the cubic metre, called a stere.

1 stere = 1.30802 cub. yds.
1 cub. yd. = 0.7645 steres.
10 decisteres = 1 stere.
10 steres = 1 decastere.

Measure of Capacity.

The unit of capacity is the cubic decimetre, which is called a litre.

1 litre = 1.7608 pints.
1 gallon = 4.5435 litres.
10 millilitres (ml.) = 1 centilitre.
10 centilitres (cl.) = 1 decilitre.
10 decilitres (dl.) = 1 litre.
10 litres = 1 decalitre.
10 decalitres (Dl.) = 1 hectolitre.
10 hectolitres (Hl.) = 1 kilolitre (Kl.).

Measure of Weight.

The unit of weight is the weight of a cubic centimetre of distilled water at

4° Centigrade, and at a normal pressure of 760 millimetres.

1 gramme = 15.4323 grains.
1 kilogramme = 2.20462 lbs. avdp.
1 grain = 0.0648 grammes.
1 lb. avoirdupois = 0.4536 kilogrms.
10 milligrammes (mg.) = 1 centigramme
10 centigrammes (cg.) = 1 decigramme.
10 decigrammes (dg.) = 1 gramme.
10 grammes = 1 decagramme.
10 decagrammes (Dg.) = 1 hectogrme.
10 hectogrammes (Hg.) = 1 kilogr. (Kg.)

100 kilogrammes is called a quintal.

1,000 kilogrammes is called a tonneau.

The following table gives the English equivalents for all the ordinary measures and weights of the metric system.

METRIC TABLE.

Linear Measure.

1 millimetre	=	0.03937 ins.
1 centimetre	=	0.3937 ins.
1 decimetre	=	3.937 ins.
1 metre	=	39.370113 ins. 3.280843 ft. 1.0936143 yds.
1 decametre	=	10.936 yds.
1 hectometre	=	109.36 yds.
1 kilometre	=	0.62137 miles.

Square Measure.

1 sq. centimetre	=	0.15500 sq. ins.
1 sq. decimetre	=	15.500 sq. ins.
1 sq. metre	=	10.7639 sq. ft.
1 are	=	1.1960 sq. yds. 119.603 sq. yds.
1 hectare	=	2.4711 acres.

Cubic Measure.

1 cubic centimetre	=	0.0610 cub. ins.
1 cubic decimetre	=	61.024 cub. ins.
1 cubic metre	=	35.3148 cub. ft. 1.307954 c. yds.

Measure of Capacity.

1 centilitre	= 0.070 gills.
1 decilitre	= 0.176 pints.
1 litre	= 1.75980 pints.
1 decalitre	= 2.200 gallons.
1 hectolitre	= 2.75 bushels.

Measure of Weight.

		Avoirdupois.
1 milligramme	=	0.015 grains.
1 centigramme	=	1.154 grains.
1 decigramme	=	1.543 grains.
1 gramme	=	15.432 grains.
1 decagramme	=	154.323 grains.
1 hectogramme	=	3.527 ounces.
1 kilogramme	=	15432.3564 grains. 2.20462 lbs.
1 quintal	=	1.968 cwt.
1 tonneau	=	0.9842 tons.

A gramme is also equivalent to 0.03215 oz. or 15.432 grains troy, and to 0.2572 drams, or 0.7716 scruples, or 15.432 grains apothecaries' weight.

MEXICO. The area of Mexico is about 767,005 square miles, or six times as great as that of the United Kingdom, and the population is 13,580,000. The population is densest in the southern part of the country where, owing to the higher altitude of the land, the climate is cool. Three-fourths of the people are of mixed or Indian blood.

The great wealth of Mexico has hitherto consisted in her mines of silver, gold, and copper. It is estimated that the silver mines have furnished more than half the world's supply of that metal. During recent years the industry of the country has been drifting from mining to agriculture. Cereals are the chief field products of the highlands; in the lowlands hemp, sugar, coffee, cotton, and tobacco are the staple crops. The forest products are mahogany, dye-woods, gums, and spices. Within recent years the rearing of cattle, horses, and sheep has become a great industry in the north.

As with other Spanish-American countries the business of Mexico is largely in the hands of foreigners. Commerce is developing very rapidly, and the United States is the chief selling market, taking three-fourths of all Mexican exports except those of the precious metals. The precious metals constitute two-thirds of the total value of exports. Apart from these, it may be generally said that Mexico sells mahogany, dye-woods, spices, coffee, hides, and hemp; and buys textile fabrics, articles of iron and steel, and leather goods. A large share of the goods imported by Mexico come from France.

Vera Cruz and Matamoras are the chief ports on the Gulf coast. The harbour of Vera Cruz is not very good, though it is the port of the city of Mexico. The City of Mexico, one of the largest and finest among the capitals of the Spanish-American Republics, is a busy commercial centre, being at the heart of the railway system of the country.

Great Britain is represented by consuls at the City of Mexico and Vera Cruz, and by vice-consuls at Acapulco, Chihuahua, Frontera, Guaymas, Laguna de Terminos, Mazatlan, Monterey, Progreso, San Blas, Santa Rosa, Soconusco, Tepic, Tuxpan, and Tampico. In addition to a consul in London, Mexico has consular representatives at Belfast, Cardiff, Dublin, Glasgow, Grimsby, Liverpool, Manchester, Newcastle, Newport, Southampton, and Swansea.

Mails are despatched to Mexico every Wednesday and Saturday. The time of transit is twelve days. The cost of telegrams varies from 1*s.* 6*d.* to 2*s.* 7*d.* per word.

MIDDLE PRICE. (Fr. *Cours moyen*, Ger. *mittlerer Preis*, Sp. *Precio medio.*)

The central price between those at which a dealer offers to buy and sell. For example, if a dealer offers to buy at six, or sell at eight, the middle price will be seven, and it is very probable that a bargain may be struck at this last-mentioned figure.

MIDDLEMEN. (Fr. *Intermédiaires*, Ger. *Vermittler*, Sp. *Intermediarios.*)

Brokers, merchants, or warehousemen, who act as intermediaries between producers and consumers, buyers and sellers, etc. Although in some trades there has been an effort made to dispense with their services, it is impossible in many cases to ignore them, owing to the extensive commerce carried on between different countries, and sometimes between different places in the same country.

MILE. (Fr. *Mille*, Ger. *Meile*, Sp. *Milla.*)

The English statute mile consists of eight furlongs, each of 220 yards, a furlong being equal to forty poles of 5½ yards, or 16½ feet each. It is, consequently, 1,760 yards, or 5,280 feet in length.

In France, Italy, and the Netherlands, the metrical mile of 1,000 metres, or 1,093.6 English yards, is used. A kilometre, or 1,000 metres, is equal to 0.6214 of an English mile. The geographical mile, or the sixtieth part of a degree of latitude, or about 2,025 yards, is used in England and Italy. The geographical league of three such miles, or 6,075 yards, is used in England and France. In Germany, the geographical mile is one-fifteenth part of a degree of the Equator, or about four English geographical miles, viz., 8,100 yards.

MILEAGE. (Fr. *Prix par mille*, Ger. *Meilengeld*, Sp. *Derecho de cadenca.*)

The name given to fees paid by the mile for travel or conveyance.

MILREE, MILREA, or MILREI. (Fr. *Milreis*, Ger. *Milreis*, Sp. *Mil reis.*)

A Portuguese silver coin, of the value of about 4*s.* 8½*d.*, of English money representing 1,000 reis. At par value 4.5 milreis are equal to £1.

MINT. (Fr. *Monnaie, hôtel de la Monnaie*, Ger. *Münze*, Sp. *Casa de la Moneda.*)

The name of the place where the national money is coined. Formerly there were several mints in this country; but for many centuries past there has been only one Royal Mint, the operations of which are carried on at Tower Hill, London. Besides the Royal Mint, there are several colonial mints. In Canada the decimal system has been adopted in the mint. The Calcutta mint is of great importance, and there are also large mints at Madras and Bombay. Mints have also been established in Victoria, New South Wales, and West Australia, at Melbourne, Sydney, and Perth respectively.

All transactions between the Royal Mint and the public are conducted through the Bank of England. Any person may take bar gold up to the value of £20,000 to the Bank and have it returned to him in sovereigns and half sovereigns. The bar gold is received at the rate of £3 17*s.* 9*d.* per ounce, that is, 1½*d.* per ounce below its market price, the difference being charged for the cost of coining.

The word is derived from the Anglo-Saxon, *mynet*, money or coin.

MINUTE BOOK. (Fr. *Agenda, carnet*, Ger. *Protokollbuch*, Sp. *Libro de minutas.*)

The book which contains the minutes, or short notes of the proceedings at a meeting of any company or society.

By section 67 of the Companies Act, 1862, it is provided: "Every company under this Act shall cause minutes of all resolutions and proceedings of general meetings of the company, and of the directors or managers of the company in cases where there are directors or managers, to be duly entered in books to be from time to time provided for the purpose; and any such minute as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings had, or by the chairman of the next succeeding meeting, shall be received as evidence in all legal proceedings; and until the contrary is proved, every general meeting of the company or meeting of directors or managers in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings had, to have been duly passed and had, and all appointments of directors, managers, or liquidators shall be deemed to be valid, and all acts done by such directors, managers, or liquidators shall be valid, notwithstanding any defect that may after-

wards be discovered in their appointments or qualifications."

In large companies, if the business is transacted by committees, there is frequently a minute book for each committee.

Although the minute book is a most valuable record of the proceèedings at any particular meeting, there is no rule which makes the minutes the only admissible evidence, and a bargain or a transaction may be made out and established against the company even though there is no record of it in the minute book. In one case so important a matter as a contract to give security by way of indemnity to directors was proved without there being any entry, and in another a person was proved to be a member of a company though there was no record of any allotment having been made to him.

An auditor should not omit an inspection of the minute book, seeing the peculiar and onerous position which he occupies and his liability for negligence in certain cases. (See *Auditor.*)

MIXED POLICY. (Fr. *Police à double fin*, Ger. *gemischte Police*, Sp. *Póliza de doble fin.*)

The name given to a policy under which a ship is insured for voyages between two certain places for a definite period. It is a combination of a voyage and a time policy.

MOCK AUCTION. (Fr. *Faux vente (aux enchères)*, Ger. *Scheinauktion*, Sp. *Subasta finjida.*)

This is an auction in which the vendor or auctioneer employs and places confederates round the room to tout and bid for the goods to be sold, so as to run up the price against genuine buyers.

MOBILIER, CREDIT. (See *Credit Mobilier.*)

MONEY. (Fr. *Argent, monnaie, pièces*, Ger. *Geld, Valuta*, Sp. *Dinero.*)

(1) That which is minted or coined.

(2) Pieces of stamped metal used in commerce.

(3) Any currency used as the equivalent of coined money.

MONEY CHANGERS. (Fr. *Changeurs*, Ger. *Geldwechsler*, Sp. *Cambistas de moneda.*)

Persons who deal in the moneys of different countries.

MONEY LENDERS ACT, 1900. (See *Usury.*)

MONEY ORDERS and POSTAL ORDERS. (Fr. *Mandats*, Ger. *Postanweisungen*, Sp. *Giro mutuo.*)

These are orders for money deposited at one post office and payable at another. The highest amount for which any one order will be granted is £10. The commission charged is

For sums not exceeding £1 . . 2*d.*
For sums above £1, and not exceeding £3 3*d.*
For sums above £3, and not exceeding £10 4*d.*

No order may contain the fractional part of a penny. Under no circumstances will money orders be paid on the day of issue.

The name and address of both the sender and the person to whom the money is to be paid must be given at the time of the issue of the order. An order may be crossed like a cheque, and made payable through a banker, and if payment is to be made to a company trading under a name different from the names of the persons composing it, it must be crossed. Payment may be stopped by the sender, but the Postmaster-General is in no way responsible if payment is made by mistake or negligence after notice of stoppage. Also payment may be deferred for any period not exceeding ten days.

A duplicate order will be issued in place of a lost order, on proper application being made and an extra commission of sixpence being paid.

A money order is legally void if payment is not claimed within twelve months from the month in which it was issued; but if a good reason can be given for the delay in the presentation, an application for a new order, subject to a deduction of sixpence, will always be entertained.

Money may be transmitted by telegraph money orders from any money order office in the United Kingdom, which is also a despatching office for telegrams, and may be made payable at any money order office which is also an office for the delivery of telegrams. At those offices which forward but do not deliver telegrams, telegraph money orders can be issued but cannot be paid.

No telegraph money order can be issued for a greater amount than £10. The commission charged is fourpence or sixpence, according as the amount is less or greater than £3.

In addition to the commission, a charge is made at the ordinary inland rate for the official telegram, authorizing payment at the office of payment, the minimum being sixpence; and, if the order is to be delivered at the address of the payee, the proper charge for

porterage must be prepaid. The telegraph charges only cover the cost of transmitting the official telegram of advice to the postmaster of the office of payment and its repetition. Any telegraphic communication which the remitter may wish to despatch to the payee must be paid for at the ordinary inland rate, the minimum charge being sixpence.

Except in cases in which the telegraphic money orders are delivered at the address of the payee, any person expecting such remittance must furnish satisfactory evidence that he is the person named in the order. He or some other person on his behalf must attend at the office to obtain payment.

Foreign Money Orders.—Money can be sent by means of foreign or colonial money orders to almost every foreign country or colony. There are special requisition forms which can be obtained gratuitously at all money order offices.

The scale of commission is—

	s.	d.
For sums not exceeding £2 . .	0	6
Ditto £6	1	0
Ditto £10	1	6

By arrangement with their respective governments, telegraph money orders may be sent to Austria, Belgium, Egypt, France and Algeria, Germany, Holland, Hungary, Italy, Luxemburg, Norway, Roumania, Sweden, and Switzerland. But except in the cases of Austria, Belgium, Germany, Holland, Norway, and Switzerland, payment can only be made at certain selected offices, the names of which may be seen at the issuing office.

The charges made are as follows:—

(1) The money order commission at the ordinary rate for foreign money orders.

(2) A charge for the telegram of advice at the ordinary rate for telegrams addressed to the country of payment.

(3) A supplementary fee of twopence for each order.

The amount is limited to £10, but in the case of Egypt a remitter may send as many as four orders (for £40) to the same payee in a single telegram of advice.

Postal Orders.—These are issued for fourteen different amounts, from one to twenty shillings, at all money order offices, and many of the smaller offices which are not money order offices, in the United Kingdom, during the hours in which the office is open for the sale of stamps. They are also issued at the British post offices at Constantinople, Smyrna and Salonica, the British Postal Agency at Panama, and in Malta, Gibraltar, India, the Straits Settlements, Hong Kong, and Newfoundland. Such postal orders are paid at all money order offices in the United Kingdom, at Constantinople, Smyrna and Salonica, and also at Panama. Payment is made in Malta and Gibralta, provided the orders were issued in the United Kingdom, or at one of the British post offices at Constantinople, Smyrna, and Salonica, or at the British Postal Agency at Panama.

The following are the amounts for which postal orders are issued, together with the poundage payable in respect of each order:—

Amount of Order.			*Poundage.*
s.	d.		d.
1	0		0½
1	6		0½
2	0		1
2	6		1
3	0		1
3	6		1
4	0		1
4	6		1
5	0		1
7	6		1
10	0		1
10	6		1
15	0		1½
20	0		1½

Broken amounts, but not fractions of a penny, may be made up by the use of British postage stamps not exceeding fivepence in value affixed to the face of any one postal order. Perforated stamps cannot be accepted for this purpose.

The sender of an order must fill in the name of the person to whom it is sent, and, if he so wishes, he can fill in the name of any particular money order office, when the order will be cashed at that office and no other. The insertion of the name of the paying office affords a safeguard against payment being made to a wrong person.

Postal orders may be crossed like money orders or cheques, and payment will then be made only through a bank. Also the holder of a postal order may, by writing on the face of it, defer payment for any time not exceeding ten days. In that case the name of the payee and that of the paying office must be written on the order.

As doubts existed at one time as to the negotiable character of postal orders,

the words "not negotiable" are now printed at the top. If, therefore, a holder of a postal order, who has had the same transferred to him for value, finds that the transferor had no title to the same, he must, on demand, restore it to the rightful owner.

MONEY MARKET. (Fr. *Bourse, place*, Ger. *Geldmarkt*, Sp. *Bolsa.*)

The general term for all dealings relating to money, such as the business of bankers, money changers, and bullion dealers.

MONOMETALLISM. (Fr. *Monométallisme*, Ger. *Einzelwährung*, Sp. *Unidad monetaria del oro.*)

A system of currency which is based upon a single standard of value, one metal alone being the legal tender for any and every amount. In England gold is the standard, whilst in India it is silver. Some countries have a double standard—one of gold and one of silver. The double standard is called "bimetallism."

MONOPOLY. (Fr. *Monopole*, Ger. *Monopol, Alleinhandel*, Sp. *Monopolio.*)

An exclusive right secured to one or more persons to carry on some branch of trade or manufacture, in contradistinction to a freedom of trade or manufacture enjoyed by all the world. Monopolies were abolished in England in 1624, except as regards patents. (See *Patent.*)

MONOPOLIZE. (Fr. *Monopoliser*, Ger. *den Alleinhandel haben, monopolisiren*, Sp. *Monopolizar.*)

To obtain possession of a commodity so as to be the sole seller of it.

MONOPOLIST. (Fr. *Monopoleur, monopolisateur*, Ger. *Monopolist, Alleinhändler*, Sp. *Monopolizador.*)

One who has the sole power or privilege of selling a certain commodity.

MONTENEGRO. A small mountainous independent state, north-west of Turkey, bordering in its southern part on the Adriatic Sea. Its area, including the district of Dulcigno, is 3,630 square miles, with a population of about 250,000. The chief products are maize, potatoes, hides, and tobacco, whilst many of the people are engaged in cattle rearing. The only manufactures are coarse woollens. The capital, Cettigne, is a mere village.

A narrow gauge railway (the first Montenegrin railway) is being constructed from Antivari to Nikshitie, a distance of 100 miles, for the development of certain iron mines which it is proposed to open.

Montenegro has no coinage of its own. The principal medium of exchange is Austrian paper money. Turkish silver is also current. English and French gold coins circulate freely, the rate of exchange being fixed from time to time by the Government. There is no banking of any kind in the country.

Mails are despatched twice a day to Montenegro. The time of transit to Cettinje, which is 1,100 miles distant from London, is rather less than five days. The cost of telegrams is 6*d.* per word. Private telegrams in code or cypher are not accepted.

MONTH. (Fr. *Mois*, Ger. *Monat*, Sp. *Mes.*)

In every Act of Parliament passed since 1850, the word month has the meaning of a calendar month, unless the contrary is expressly stated. Formerly it signified a lunar month of twenty-eight days. On a bill of exchange half a month is fifteen days.

MORATORIUM. (Fr. *Moratorium*, Ger. *Frist, Moratorium*, Sp. *Moratorium.*)

An extension of time allowed under exceptional circumstances by the Government of a country for the payment of debts. During the Franco-German War, 1870-71, a French moratory law was passed by which the maturity of bills payable in Paris was postponed for three months.

The expression is sometimes used commercially, and it then signifies that a creditor has granted to his debtor—particularly with respect to bills of exchange—an extension of time for payment, in order that the latter may collect the necessary funds to meet his engagements.

MOROCCO. The largest and most westerly of the Barbary States, situated in the north-west of Africa. It is composed of the two kingdoms of Fez and Morocco, in the north, and a large number of small states in the south. The total area is estimated at 220,000 square miles, with a population of about 8,000,000. There are no railways and no telegraphic communication except with Tangier. Morocco is a country of great natural resources, but they are almost entirely undeveloped. The exports are almonds, beans, maize, oil, dates, carpets, leather, ostrich feathers, and gums. The chief imports are cottons, linen, muslin, woollen goods, tea, coffee, sugar, cloth, iron, brass, and hardware. The three capitals, in order of size, are Fez, Morocco, and Mekinez,

whilst the principal ports are Tetuan, Tangier, El Arish, Rabat, Mazagan, Saffi, and Mogador. One half of the trade of the country is with Great Britain, after which come France and Germany.

Great Britain is represented by consuls at Dar-el-Baida and Tangier, and by vice-consuls at Fez, Larniche, Mazagan, Mogador, Rabat, Saffi, and Tetuan.

Mails are despatched to Morocco every morning. Tangier is 1,200 miles distant from London, and the time of transit is 4 days 3 hours. The cost of telegrams is *5d.* per word.

MORTGAGE. (Fr. *Hypothèque*, Ger. *Hypothek*, Sp. *Hipoteca.*)

A mortgage is a conveyance or disposition of real or personal property by a borrower, called the mortgagor, in favour of a lender, called the mortgagee, by way of security for the repayment of money borrowed, together with interest. A mortgage of personal property is generally by way of Bill of Sale.

A mortgage of freeholds in law is an absolute conveyance by which the fee in the land is passed to the mortgagee subject to an agreement for the reconveyance of it to the mortgagor on repayment of the loan on a fixed day, usually at the expiration of six months from the date of the advance, with interest. By the common law, upon failure of the mortgagor to make such repayment within the stipulated period, the mortgagee could eject the mortgagor and turn him out of possession and take the land himself. The Court of Chancery considered that this was not fair dealing as between man and man. It therefore took it upon itself to decide that after the stipulated period had elapsed the mortgagor had still the right to redeem on payment of the debt, interest, and costs, and this right is accordingly known as the "equity of redemption."

A mortgage of leasehold property is effected either by assignment or by under-lease. But it is always advisable, except in the case of registered land, for the mortgagee to take by under-lease. If the mortgage is by assignment the mortgagee becomes the tenant of the mortgagor's lessor, and therefore directly liable to perform all the covenants of the lease. But if the mortgage is by under-lease the mortgagee is a tenant of the mortgagor only, and has no direct relationship with the original lessor. If then the covenants of the lease are not performed, the lessor must take proceedings against the mortgagor, or enforce his remedies of distress, re-entry, or ejectment against the land.

A mortgage of copyholds is effected by a conditional surrender to the mortgagee being entered on the rolls of the manor, making such conditional surrender void on the repayment of the loan with interest.

The relative rights of the mortgagee and mortgagor have been the gradual outcome of rules formulated and decisions given by the Court of Chancery, embodied later and in some details varied by various statutory enactments. The following is a brief summary of the rights of a mortgagee, so far as a contrary intention is not expressed in the mortgage deed.

(1) A mortgagee has a right as of course at any time after payment of the debt has become due, to sue the mortgagor for the money.

(2) If default is made by the mortgagor in payment after three months' notice has been given by the mortgagee to the mortgagor, or if interest has become in arrear for two months, or if there has been a breach by the mortgagor of some provision in the mortgage deed, other than the covenant for payment of the mortgage money or interest on the fixed day, he may go into possession of the mortgaged property, or he may bring an action for foreclosure, or appoint a receiver of the rents and profits, or sue the mortgagor for the principal and interest. All these remedies may be enforced at the same time. But if he prefers to do so, the mortgagee may sell the mortgaged property by public auction or by private contract.

Foreclosure is a right of the mortgagee not given by statute or by stipulation, but it arises from the fact that the estate has been conveyed to the mortgagee, as explained above, and if after a proper demand has been made the mortgage money is not paid off, the mortgagee has the power of going to the court and claiming that an account be taken of what is due to him for principal and interest, and that in default of the mortgagor paying the same with costs on a day to be appointed by the court—usually six months after judgment—the mortgagor may be foreclosed or deprived of his equity of redemption. In other words, if the mortgagor fails to avail himself of the right conferred on him by the Court of Chancery to redeem after the day originally fixed for repayment, the mortgagee has his

original right at law of becoming the owner of the forfeited estate.

(3) A mortgagee has a power at any time to insure and keep insured buildings on the mortgaged property, and to add the premiums paid to his security.

(4) By exercising his power of sale the mortgagee does not take the property in lieu of the debt so as to extinguish it as he does by foreclosure, but he can sue the mortgagor for any deficiency in the money arising from the sale to meet the principal, interest, and costs of the mortgage debt. On the other hand he must, of course, pay to the mortgagor any surplus if the sale realizes more than enough to pay the principal, interest, and costs.

The following is a concise statement of the rights of the mortgagor.

(1) The old rule of equity that a mortgagor must give six months' notice if he wishes to pay off the loan has not been altered by statute, though the length of notice by the mortgagee, if he wishes to call in his money, has been fixed at three months, as above mentioned.

(2) He can at any time after giving such notice, or when the mortgagee is pursuing any of his remedies, tender the principal, interest, and costs to the mortgagee, and if the latter refuses to accept such tender, institute an action for redemption.

(3) He can, even when the mortgagee has taken possession, demand an account of all rents and profits received by him.

(4) He may at any time inspect his title deeds which are in the hands of the mortgagee.

(5) He has a statutory power so long as he is in possession, except in so far as a contrary intention is expressed in the mortgage deed, to make leases and contracts of tenancy of any parts of the mortgaged property—agricultural and occupation tenancies not to exceed twenty-one years, and building leases not to exceed ninety-nine years. Such leases and tenancies must take effect in possession not more than twelve months after date, and must reserve the best rent that can reasonably be obtained. They must also contain a covenant by the tenant to pay the rent, and a counterpart must be executed by the tenant.

(6) On the discharge of the mortgage moneys, he has a right to demand his property back in its integrity. In other words, on redemption he is entitled to have back that which he hypothecated unfettered, and anything which would prevent his getting it back when his obligation is fulfilled will not be permitted. In technical language, nothing will be allowed which will "clog the equity of redemption." For example, in a mortgage deed by a publican to brewers a covenant by the borrower after discharge of the mortgage to sell beer bought of the lenders only is bad, and cannot be upheld, inasmuch as the "tie" would reserve to the lender a hold on the property after redemption and make it less valuable than when it was mortgaged.

By statutory enactments the time during which a mortgagee has the right of exercising his power of foreclosure is limited to twelve years from the date when the right first accrued, or to twelve years from the time of the last payment of any part of the principal money or interest of the mortgage debt. Also if the mortgagee is in possession, the mortgagor is confined to the same limits of time for exercising his right to redeem. Likewise the remedy on a bond given in respect of a debt secured by a mortgage deed on land, and bearing the same date as the bond, will be barred by the lapse of twelve years from the last payment on account or acknowledgment.

It has been stated above that the principal is generally made repayable six months after the date of the mortgage deed. There is nothing irregular, however, in making a mortgage for a longer or shorter fixed period. But no agreement can make a mortgage irredeemable.

Leases of Mortgaged Premises.—Where a lease has been granted prior to the date of the mortgage deed, the mortgage operates as a grant of the reversion. The mortgagee is entitled to the rent in arrear, and can exercise the landlord's right of distraint. If the lessee makes payment of the rent demanded by the mortgagee, he will be exonerated from any demand on the part of the mortgagor. The law is the same in the case of a yearly tenancy.

Where a lease is granted subsequent to the date of the mortgage deed, the lessee will be a trespasser and can be evicted if the statutory power of the mortgagor or mortgagee in possession to grant leases has been rendered non-exercisable. This right, however, will be waived if it can be shown that there has been an acknowledgment of a

tenancy existing on the part of the persons interested.

Equitable Mortgage.—Sometimes title deeds are deposited, with or without a note or memorandum of the transaction, to form the security for a temporary loan. No estate passes from the mortgagor to the mortgagee. The name given to a mortgage of this kind is an "equitable mortgage." It is the creation of the Chancery Courts, and its name is equitable because at law there was no right on the part of the mortgagor to recover his title deeds, the transaction being one which ought to be evidenced by some document in writing to satisfy the Statute of Frauds. A former Lord Chancellor thus described it on one occasion: "A proprietor of an estate goes to his banker and says, 'Take these deeds into your possession, and obtain for me £10,000 on their security.' This is a mortgage by deposit of title deeds—an equitable mortgage—a most convenient mode of raising money. Notoriety is dispensed with, and the accommodation afforded, with every security to the lender and without the necessity for a mortgage deed."

An equitable mortgage is not the most satisfactory of securities, and should not be resorted to when the loan required is to stand over for any length of time. In the first place, an equitable mortgagee has not a power of sale, but is compelled to rely upon his right of foreclosure. But there is also the danger of an equitable mortgagee being displaced by a legal mortgagee. For this reason a lender should always secure possession of the title deeds, and not part with them until his money has been repaid.

The memorandum of deposit, if there is one, must be stamped with an *ad valorem* stamp duty of one shilling for every £100, or part thereof, of the charge created upon the property.

Tacking Mortgages.—Where several mortgages have been created on the same property, the mortgagees are entitled to payment according to the priority of their incumbrances. But if a third mortgagee, for example, buys up a first mortgage, which is a legal one, he can add the two mortgage debts, the first and the third, and claim precedence for the two over the second mortgage. This is called "tacking." But tacking can never take place if a later mortgagee has actual or constructive notice of the prior mortgages which have been created.

Mortgage of a Ship.—A British ship cannot be mortgaged except in the form laid down by the Merchant Shipping Act, 1894. The document must be produced to the registrar of shipping at the ship's port of registry, and recorded there, and different mortgages are recorded in the order in which they are produced to the registrar. Priority of title depends upon the date of registration of the mortgage deed, and not upon the date of the creation of the mortgage debt.

MORTGAGEE. (Fr. *Créancier hypothécaire*, Ger. *Hypothekengläubiger*, Sp. *Creditor hipotecario.*)

The person to whom a mortgage is made or given, as a security for the advancement of money.

MORTGAGOR. (Fr. *Débiteur hypothécaire*, Ger. *Hypothekenschuldner*, Sp. *Debitor hipotecario.*)

The person who grants a mortgage to another.

MULTIPLE TELEGRAMS. (Fr. *Télégrammes multiples*, Ger. *vervielfältigte Telegramme*, Sp. *Telegramas multiplicados.*)

Telegrams sent to several persons in the same place, or to one person at several residences or addresses in the same place.

MUSTER. (Fr. *Echantillon*, Ger. *Muster*, Sp. *Muestrario.*)

A sample or collection of samples taken from the bulk of any article of merchandise, and serving as a specimen of the whole. The expression to "pass muster," therefore, means that the bulk is quite equal to the sample in every way, and that it will pass inspection.

MUSTER ROLL. (Fr. *Rôle d'équipage*, Ger. *Musterrolle*, Sp. *Rol de la tripulación.*)

A book kept on board ship, containing the names, ages, qualities, professions, places of residence and birth of every person on board.

MUTUAL LIFE INSURANCE COMPANY. (Fr. *Compagnie mutuelle d'assurance sur la vie*, Ger. *Lebensversicherung auf Gegenseitigkeit*, Sp. *Sociedad Mutual de Seguros.*)

A company in which there are no shareholders, but the profits belong entirely to the insured, and are divided amongst them, either by cash payments, by reduction of premiums or by periodical additions to the amounts of the policies.

MYRIAGRAMME. (Fr. *Myriagramme*, Ger. *Myriagramm*, Sp. *Miriagramo.*)

A metric measure of weight, consisting of 10,000 grammes, and equal to 22,046 lbs. avoirdupois, or 321½ troy ounces.

MYRIAMETRE. (Fr. *Myriamètre*, Ger. *Myriameter*, Sp. *Miriametro.*)

A metric measure of length, equal to about 6¼ miles, or more correctly, to 6.214 miles.

N. This letter is used in the following abbreviations :—

N/A., No advice (banking).
N/a., Non-acceptance.
N.B., Take notice.
N/e., No effects.
N/f., No funds.
No., Number.
N/S., Not sufficient (banking).

NAME DAY. (Fr. *Deuxième jour de liquidation*, Ger. *Erfüllungstag*, Sp. *Segundo dia de liquidaciones.*)

This is the second day of the settlement on the Stock Exchange. It is sometimes known as Ticket Day.

NATAL. *Configuration.*—The colony of Natal, including Zululand and Amatongaland, has an area of about 35,000 square miles, and a population or more than half a million, less than one-tenth of whom are Europeans. It is bounded on the north-west by the Drakensberg Mountains, a continuation of the great range which commences at the Cape of Good Hope. The country rises from the shores of the Indian Ocean in terraces. Natal has many rivers, but none of them are navigable.

Productions.—The chief productions of Natal are as follows :—

Coast District.—Sugar, coffee, indigo, arrow-root, ginger, tobacco, rice, pepper, cotton, pine-apples, tea.

Midland District.—Corn crops.

Sheep farming, horse rearing, and cattle ranching are the occupations of the people in the lofty table-land districts.

Forests of valuable timber are found in the mountain ranges and along the coast. The coalfields of Newcastle are connected with Durban by rail.

Commerce.—The imports from the United Kingdom consist chiefly of clothing and textile fabrics, metals and metal goods in value, £3,200,000.

The exports to the United Kingdom are chiefly wool, skins, dye-stuffs, and coffee ; value, £800,000.

The only port of the colony is Durban, or Port Natal, and the main line of railway runs from this port through Maritzburg, the capital, through Charlestown, on the border of the Transvaal, to Johannesburg and Pretoria.

Mails are despatched to Natal every Saturday *afternoon*. Durban is 6,800 miles distant from London, and the time of transit is about twenty-one days. The cost of telegrams is 2*s.* 6*d.* per word.

NATIONAL DEBT. (Fr. *Dette publique*, Ger. *Staatsschuld*, Sp. *Deuda pública.*)

The entire debt of a country, consisting of money borrowed by the Government, which either guarantees a fixed rate of interest until the debt is repaid or grants annuities for a term of years or for life.

NAVY BILLS. (Fr. *Billets maritimes*, Ger. *Marinenoten*, Sp. *Vales de Marina.*)

There are two kinds of these bills—one issued by the Admiralty in payment of stores for ships and dockyards, and the other drawn at short date by officers in the navy on the Accountant-General for pay due to them. These latter bills are readily purchased at foreign stations as convenient remittances on London.

NECESSARIES. (See *Infant* and *Contract.*)

NEGOTIABLE DOCUMENTS or INSTRUMENTS. (Fr. *Documents négociables*, Ger. *verkäufliche Dokumente*, Sp. *Documentos negociables.*)

and

NEGOTIABLE PAPER. (Fr. *Papier négociable*, Ger. *übertragbare Papiere*, Sp. *Papel negociable.*)

The documents, instruments, or paper which, on being transferred *bonâ fide* from one person to another, convey to the transferee a legal right to the property named therein, free from the claims of any other person whatsoever. The most familiar examples are coin of the realm, bills of exchange, and promissory notes. To these may be added Government bonds, dock warrants, foreign Government bonds, and all instruments to which by the law merchant or by statute the character of negotiability attaches. It was thought until recently that the list of negotiable instruments was fixed, but it has been decided that where a mercantile usage has been proved to treat as negotiable such instruments as the debentures of an English company, the court will give effect to the usage, even though it is of recent origin only.

Negotiability must be distinguished from assignment. Thus, a bill of lading is assigned by indorsement, and the indorsee can sue upon the document, but it is not a negotiable instrument.

NET or NETT. (Fr. *Net* (*produit*), Ger.

Nettobetrag, Sp. *Neto producto.*)

(1) The amount of any charge or cost after all deductions have been made.

(2) The actual amount when no deductions of any kind are allowed.

NET or NETT WEIGHT. (Fr. *Net*, Ger. *Netto* or *Reingewicht*, Sp. *Neto* (*peso*).)

The actual weight of goods themselves without reckoning the package in which they are enclosed, and after allowances have been deducted for waste, turn of the scale, etc.

NISI PRIUS. (Fr. *Nisi prius*, Ger. *Grafschaftsgericht*, Sp. *Nisi prius.*)

The name usually given in England to the sittings of the courts in the first instance in civil cases. The phrase is derived from the first two words of the old Latin writ, which summoned the parties to appear at Westminster, "unless before" the appointed day the judges should come into the county.

NEWFOUNDLAND. Newfoundland, a great island, the twelfth largest in the world, being about one-third larger than Ireland, is a separate British colony. The coast is rugged, but the interior is said to be fertile. The only very valuable export until lately was cod from the fisheries, for which food and clothing were imported in return.

The exports now are—

Codfish and fish oils, nearly three-quarters million sterling, annually; minerals, copper and iron pyrites, £133,700, annually; sealskins, to the value of about £75,000; and tinned lobsters, worth about £55,000 per year. Much of the commerce of Newfoundland is with the Dominion of Canada, only a small proportion being with the United Kingdom. The total exports to the United Kingdom reach over half a million, and the imports about the same.

The population is just over 200,000, nearly all of which is settled in the south-eastern peninsula of Avalon, where there are five or six towns and villages of which St. John's, the largest, a city about the size of Lancaster, is the colonial capital.

Mails are despatched direct to Newfoundland, via Liverpool, once a fortnight, and by other routes at irregular intervals. The city of St. John's is 2,500 miles distant from London, and the time of transit is nine days. The cost of telegrams is 1*s.* per word.

NEW SOUTH WALES. New South Wales, joining Victoria on the north, has a long coast line on the eastern seaboard. It is about four times as large as Victoria, and has a population of about the same number as that colony. It is the oldest of the five colonies of Australia, having been established about a century ago, as a penal settlement. Sheep-farming was attempted early in its history, and has become by far the most important industry. The mineral resources of the country, mainly gold and coal, were developed at the same time that the gold fields in Victoria were opened. More recently tin has been found, and the produce of the mines now rank next in value to the wool.

The surface of the colony includes fertile plains, grazing lands, forest areas, and mountain regions, so that the products are varied. Fruits, sugar-cane, and cereals are largely cultivated. Sheep, horses, and other domestic animals are reared, and minerals in great variety are mined. The richest coal mines of the continent, in the basin of the Hunter river, near Newcastle, employ 10,000 men.

The principal exports are wool and tin, and the chief imports are clothing, textile fabrics, and iron-manufactured goods.

The imports from the United Kingdom, valued at over 7½ millions sterling annually, chiefly consist of textile fabrics and clothing, metal goods and machinery, beer and spirits, paper and books.

The exports to the United Kingdom, valued at nearly 11½ millions, chiefly consist of wool, and other products of the flocks and herds, including mutton and meat extract, which amount to considerably more than half of the total, gold, including specie, and copper.

Sydney, the capital and commercial centre of New South Wales, is a little less than Melbourne. Its harbour is deep, spacious, and is the chief naval station in Australia for the British fleet. With an abundance of coal this city is fast becoming an important industrial centre. From its geographical situation, it controls the commerce of the South Pacific Ocean, and is connected by steamship lines with Europe, Asia, and the United States.

Direct steamship communication is established with England and the continent of Europe by means of the Peninsular and Oriental, the Orient, Messageries Maritimes, the North German Lloyd, and other lines. There is a weekly mail from London.

Newcastle, on the Hunter river, has come into commercial importance on

account of its coal, which is shipped, not only to all parts of Australia, but also to San Francisco, South America, the Hawaiian Islands, and other parts of the Pacific.

Mails are despatched every Friday via Brindisi or Naples. There are also supplementary mails via Vancouver and San Francisco as well as by French and German packets. Sydney is 12,043 miles distant from London. The time of transit is between thirty-two and thirty-three days. The cost of telegrams is 2*s*. 10*d*. or 3*s*. per word.

NEW ZEALAND. *Size and Position.*—The group of islands known as New Zealand are nearly in the centre of the water hemisphere, as London is nearly in the centre of the hemisphere of the greatest amount of land. These islands are not less important in their physical geography than for their political and social importance. They possess a mountain axis, and exhibit volcanic phenomena. They are altogether about 1,100 miles long, with an average width of 200 miles, and an area a little less than that of the United Kidgnom.

Configuration.—The mountains of New Zealand are of great elevation, the range running nearly parallel to that of eastern Australia. These Southern Alps, the name by which they are known, include a large number of pyramidal peaks, rising more than 10,000 feet above the sea. The summit of Mount Cook, the highest of them all, is nearly 12,500 feet above sea level, or nearly three times as lofty as Ben Nevis. This great backbone runs through the islands from north-east to south-west, about thirty miles from the western coast. Very lofty passes, some of them 8,000 feet high, intervene between the peaks. Gigantic glaciers occupy the higher valleys, reaching down more than twelve miles into the lower country, and many of the mountains are volcanic. Some of the glaciers descend to within 4,000 feet above the sea; and the Tasman glacier is twelve miles in length and nearly two miles wide. Mount Egmont rises to a lofty elevation, and is one of the noblest volcanoes of the Pacific.

New Zealand has a still more temperate climate than Tasmania, at least in all the low grounds and along the seaboard, although on the higher elevations it is often cold and stormy. It is also more irregular in coast line, and has a copious supply of water. The climate, in short, is admirably adapted for raising every fruit, flower, and edible plant that flourishes in the British Isles.

The forests of New Zealand are extensive, and contain many valuable kinds of timber, especially the Kauri pine, much valued for ship-building. The gum of this tree is used for making varnish. Sometimes very large pieces of a hundredweight or more, of transparent and almost colourless gum, are found near the decayed roots of a tree. This fetches a high price, as it is used for making ornaments. It is easily worked with a knife into any shape, when it is polished with a soft rag and petroleum. Large masses of gum are sometimes found exuding from the living tree but these are less valuable than the pieces of fossil gum. Three or four thousand men are engaged in digging the latter, which is found in the North Island only. A fossil gum of dark colour is also found in considerable quantity in the coal mines thus proving the antiquity of the kauri forests.

Phormium, known in commercial circles as New Zealand "flax" or "hemp," is cultivated in increasing quantities. The annual crop, which is worth about half a million sterling, is used with Manila hemp in rope-making, and also in the manufacture of paper.

Both North and South Island contain fine pasture lands. There are 19 million sheep in New Zealand, and the great exports, most of which go to London, are wool and frozen mutton.

The imports from the United Kingdom, about 5 millions sterling annually, consist chiefly of textile fabrics and clothing valued at a million and a quarter sterling; metal goods and machinery, worth nearly one million sterling; leather, spirits, etc. The exports to the United Kingdom, amounting to about 9½ millions annually, include wool, valued at 4½ millions; frozen meat, 2 millions; gold, about 1 million; butter, cheese, tallow, hides, and Kauri gum.

Towns in North Island.—Auckland, the chief commercial town, has a fine harbour. Population, 70,000. Steamers connect this port with Melbourne, Sydney, and San Francisco, and with London direct.

Wellington, the capital, contains woollen mills, and extensive meat-preserving establishments. Population, 48,000.

Towns in South Island.—Dunedin, the largest commercial town, has manu-

factures of woollen goods and machinery. Population, 50,000.

Lyttleton and Greymouth are also of note.

New Zealand has refused to join the Australian Federation.

Mails are despatched every third Friday via San Francisco, which is the shorter route, to New Zealand, and on other Fridays via Italy and the Suez Canal. Wellington is about 16,000 miles distant from London. The time of transit is thirty-one days by the American route, and forty days via Suez. The cost of telegrams is 2*s*. 10*d*. or 3*s*. per word, according to route.

NEWSPAPER POST. (See *Mail.*)

NICARAGUA. The largest of the republics of Central America, with a large seaboard in both the Atlantic and Pacific Oceans. It lies between Honduras on the north, and Costa Rica on the south. The area is 49,500 square miles, and the population about 450,000. The central part of the country is a great fertile plain. Many rivers flow to the sea from this plain, but the San Juan is the only one which is navigable. Much of the public income is derived from the monopoly of the exports of tobacco and gunpowder. Cattle raising and the collecting of rubber are the chief occupations of the people. There are few exports, that of coffee being the most important. Greytown, on the east coast, and San Juan, on the west coast, are the chief seaports. Leon, the former capital and the largest city, is situated on the Pacific. The new capital is Managua, situated upon the lake of the same name.

Great Britain has consuls at Granada, Greytown, and Managua, whilst Nicaragua has consular representatives at Cardiff, Glasgow, Liverpool, and Manchester.

Mails are despatched once a month direct via Southampton, and on other days via the United States. The time of transit to Managua, which is 5,800 miles distant from London, is about twenty-five days. The cost of telegrams is 3*s*. 11*d*. per word to San Juan, and 4*s*. 2*d*. to any other place.

NIGERIA. The recently formed Crown Colony of Nigeria consists of what was until lately known as the colony and Protectorate of Lagos, the Niger Coast Protectorate, formerly called the "Oil Rivers Protectorate," and the territories of the Royal Niger Company. It includes the basin of the lower Niger and its tributary, the Benue, and extends north eastward to Lake Chad. Its area is ten times that of England, excluding Wales, and it has a population of about 30 millions. Within its limits are the fertile regions of Yoruba, Gandu, Sokoto, and Bornu. It commands the best routes into the farther interior, for the markets in Sokoto and Gandu do an immense amount of business with the Western Soudan. The Lagos railway also has produced a marked increase in the commerce between the Niger valley and the coast.

The colony is divided into the three governments of Lagos, Southern Nigeria, and Northern Nigeria. The chief productions are palm-oil, gum-opal, ivory, nuts, rubber, hides, and cotton, and these articles are exported. The principal imports are cotton goods, earthenware, hardware, cutlery, gunpowder, salt, silks, spirits, tobacco, and woollen goods.

The chief towns are Lagos, Old Calabar, Bonny, New Calabar, Brass, Benin, Akassa, Asaba, and Lokoja.

Mails are despatched once a week, on Saturdays, via Liverpool. The time of transit to Lagos is nineteen days. The cost of telegrams is 6*s*. 3*d*. or 6*s*. 5*d*. per word.

NO FUNDS. (Fr. *Pas d'encaisse*, Ger. *kein Guthaben*, Sp. *No tiene fondos.*)

A term which is sometimes put upon cheques by bankers when cheques have been paid into a bank for collection, but are returned by them to the senders as the parties giving the cheques have no funds to meet them.

NOMINAL. (Fr. *Nominal*, Ger. *nominal, Nenn-*, Sp. *Nominal.*)

This means in name only. It is used in various combinations, as nominal accounts, nominal capital, nominal consideration, nominal exchange, nominal partner, and nominal value.

NOMINAL PARTNER. (Fr. *Associé fictif*, Ger. *Nominalteilhaber*, Sp. *Socio nominal.*)

A person who has no real interest in a business carried on under, or styled with his name, but who allows his name to be used in connection with it. If he holds himself out as apparently having an interest in the business he is liable for the debts as though he were a partner. A person often continues as a nominal partner in a business after he has retired from it, when it is thought that a change of name might damage the reputation which the business previously enjoyed.

NOMINAL PRICE. (Fr. *Prix fictif*, Ger. *Nominalpreis*, Sp. *Precio nominal.*)

A price given as the nearest market

value of goods and securities which are but little dealt in, it being understood that the price exists in name only, and that business may or may not be done at it.

NOMINEE. (Fr. *Nominitaire*, Ger. *Ubernehmer*, Sp. *Nominatario.*)

Literally, a person named.

NON-SUIT. (Fr. *Désistement, Ordonnance de non-lieu*, Ger. *Zurückweisung*, Sp. *Deserción de causa.*)

The withdrawal of a suit at law, either voluntarily or by the judgment of the court.

NORWAY. (See *Sweden.*)

NOTARY PUBLIC. (Fr. *Notaire*, Ger. *öffentlicher Notar*, Sp. *Notario público.*)

An officer who certifies deeds and other documents. The name notary originated in Rome, where the Latin name given to a writer was *notarius.*

The duties of a notary include—

(1) The attestation, copying, and translation of documents, so as to render them valid when sent abroad.

(2) The presentation of dishonoured bills of exchange, and noting their non-acceptance or non-payment, and afterwards protesting them if required.

NOTE BOOK. (Fr. *Carnet*, Ger. *Notizbuch*, Sp. *Agenda, Libro de notas.*)

A book in which orders or memoranda are written.

NOTE OF HAND. (Fr. *Promesse, billet*, Ger. *Handschuldschein*, Sp. *Pagaré.*)

A common name for a promissory note.

NOTING A BILL. (Fr. *Noter, protester*, Ger. *notieren, protestieren*, Sp. *Anotación, protesto.*)

The recording on the face of a bill of exchange, by a notary public, the fact of a refusal of acceptance or payment as a ground of protest. When a bill of exchange has been presented for acceptance or payment, and returned unaccepted or unpaid, the holder applies to a notary public, who presents the bill a second time; and if it is not then accepted or paid, he notes the facts of the case upon the bill and upon a slip of paper, which he attaches to the bill.

NOT NEGOTIABLE. (Fr. *Innégociable*, Ger. *nicht übertragbar*, Sp. *No negociable.*)

The addition of these words to a negotiable instrument, such as a bill of exchange or a cheque, limits the rights of a holder, even though he is a holder in due course. They destroy the negotiable character of the instrument. But they in no way prohibit the transfer of the document. It may pass from hand to hand just as freely as though the words were not there; but if it happens that the transferor had any defect of title, the transferee takes it subject to the same defect. For greater safety it is the common practice not only to cross cheques, but to make them not negotiable.

NOVATION. (Fr. *Novation*, Ger. *Neuerung*, Sp. *Novación.*)

The substitution of a new party to a contract in place of the original debtor. A creditor can always assign his rights to another person, subject to the equities, but a new debtor cannot take the place of the former without the consent of the two original parties and the substitute. The assent of the creditor may be express or implied, but by the Life Assurance Companies Act, 1872, it is provided that where a company has transferred its interest or been amalgamated with another company, the fact that a policy-holder has paid premiums to the new company shall not be deemed to be an abandonment of his rights against the old company. The abandonment of the right against the old company and the acceptance of the liability of the new one must be signified in writing, signed by the holder of the policy, or by his agent.

NUDUM PACTUM. A Latin phrase, meaning an agreement made without any consideration. Such an agreement, unless under seal, gives no right of action.

NURSE AN ACCOUNT. (Fr. *Retenir par devers soi*, Ger. *ein Konto zurückhalten*, Sp. *Hacer un préstamo en valores sin mercado.*)

Sometimes a banker makes an advance upon an unmarketable or other security, and afterwards finds that if the loan were called up the party would be unable to pay, and the bank sustain a loss. Instead, therefore, of realizing the security at once, at the best price it will fetch, the banker locks it up, hoping, eventually, to sell at a profit, or that the borrower will be able to redeem his pledge, and pay the interest upon it. This is called "nursing an account."

O. This letter is used in the following abbreviations:—

°, Degree.
O/a., On account.
O/d., On demand.
%, Per cent.
o/oo., Per mille—per thousand.
O.S., Old style.

OBLIGATIONS. (Fr. *Obligations*, Ger. *Obligationen*, Sp. *Obligaciones.*)

Acts which bind persons to the per-

formance of specific things. The name is often given to the bonds or shares of foreign railway companies.

OBSCURATION. (Fr. *Différence de degrés alcooliques*, Ger. *verborgener Alkoholgehalt*, Sp. *diferencia de la fuerza del licor.*)

This is defined by the customs as "the amount of proof spirit hidden, or 'obscured,' by matter in solution in the spirituous liquor; in other words, the difference between the true or actual strength and that indicated by the hydrometer."

OCTAVO. (Fr. *In-octavo*, Ger. *Oktavformat*, Sp. *Octante.*)

A book, or sheet of a book, having eight leaves to the sheet. The word is generally contracted into 8vo.

OCTROI. (Fr. *Octroi*, Ger. *Accise, Octroi*, Sp. *Consumos.*)

A tax levied in France, at the gates of a city, upon goods which are brought into the city. The term once signified a grant of exclusive trading rights. (Ger. *Handelsprivilegium.*)

OFFER. (See *Contract.*)

OFFICIAL RECEIVER. (Fr. *Syndic*, Ger. *öffentlicher Massenverwalter*, Sp. *Síndico.*)

An officer appointed by the Board of Trade under the Bankruptcy Act, 883, to perform certain duties in the bankruptcy of any person, and especially to take charge of the debtor's estate as soon as a receiving order has been made against him. To these duties have been added many corresponding ones in the winding up of joint-stock companies.

For the purposes of the administration of the Bankruptcy Act the country has been divided into districts, with an official receiver for each.

1. *Bankruptcy.*—The duties of the official receiver are concerned both with the conduct of the debtor and also with his estate. And the general supervision which he exercises as to each continues even after the trustee in bankruptcy has been appointed. As to conduct, the official receiver is required—

(*a*) To furnish the debtor, against whom a receiving order has been made, with a copy of instructions and all the necessary forms for the preparation of his statement of accounts;

(*b*) To investigate the circumstances of the case and to report to the court whether there is reason to believe that the debtor has been guilty of any misdemeanour under the Debtors' Act, 1869, or the Bankruptcy Act;

(*c*) To make another report as to the conduct of the debtor during the bankruptcy proceedings, upon which the court will act when an application is made for discharge, or for the approval of a composition or scheme;

(*d*) To take part in the public examination of the debtor, as authorized by the Board of Trade, either personally or by means of a solicitor or counsel;

(*e*) To take such part in the prosecution of fraudulent debtors as the Board of Trade may direct.

With respect to the property of the debtor, the official receiver's duties are—

(*a*) To act as receiver of the same until a trustee is appointed; and also as manager, where a special manager is not appointed;

(*b*) To act as trustee during any vacancy in the office, and in the case of small bankruptcies to act as trustee throughout;

(*c*) To authorize any special manager to raise money or make advances for the purposes of the estate where it appears beneficial to do so;

(*d*) To summon and preside over the first meeting of creditors, and to acquaint the creditors with any proposed scheme on the part of the debtor for liquidating his affairs.

(*e*) To advertise all the proceedings that are required to be so done by statute.

(*f*) To render full accounts of all matters in connection with the estate to the Board of Trade.

The official receiver has all the powers of a trustee in bankruptcy, whenever he is acting in that capacity. He can, if any of the creditors desire it, give instruction that the business of the debtor shall be continued, and appoint a special manager for that purpose. Also if any of the property consists of perishable goods, he can dispose of them on the best terms obtainable, whilst with respect to other property he is not liable for incurring any ordinary expense in the preservation of it. He has full power to administer oaths for the purpose of affidavits, verifying proofs and petitions, and for all other proceedings under the Bankruptcy Acts.

2. *Company Winding-up.*—When an order is made by the court for the winding up of a joint-stock company, the official receiver acts as liquidator until another person is appointed to act, just as in bankruptcy he acts as trustee until a trustee in bankruptcy is appointed.

He is likewise the person to act during any vacancy in the office.

His first duty on the winding-up order being made is to obtain a statement of the affairs of the company from the officials of the company, and for this purpose special forms are supplied, as in bankruptcy. This statement of affairs should be prepared as early as possible, and a summary of it forwarded to each contributory and each creditor before the holding of the first meeting.

The second duty of the official receiver is to prepare a report as to the company, setting forth the amount of the capital, whether issued, subscribed, or paid up, the estimated assets and liabilities, the cause of the failure of the company (if it is insolvent), and the desirability of inquiry being made into the circumstances connected with its promotion, formation, and failure. If there are any grounds for suspecting any fraud committed by any person in connection with the company, the official receiver may issue a further report, and the court may, upon such report, order any promoter, director, or other official to be publicly examined as to the same. The official receiver must take part in this public examination either personally or, with the permission of the Board of Trade, through the medium of a solicitor and counsel.

The official receiver summons the first meetings of the creditors and contributories, and acts as chairman in each case. And so long as he acts as liquidator he has all the powers given to that official with respect to the conduct of the liquidation, that is, he must do what is best both for the creditors and the contributories in dealing with the estate, realising at once where it is necessary to do so, and preserving, even at the cost of the estate, what is likely to prove of benefit at a later period. (See *Liquidator*.)

OMAN. An independent state in the south-east of Arabia, extending along a coast line of about 1,000 miles from the Gulf of Ormuz, and inland to the deserts. Its area is about 82,000 square miles, and the population is estimated at 1,600,000. The exports consist of dates, cloth, salt, fruits, pearls, dried fish, and matting. The imports are chiefly sugar, rice, piece-goods, coffee, raw silk, cotton, and wheat.

The capital and chief port is Muscat, a town of 60,000 inhabitants. The main trade is done with Bombay, between which place and Muscat there is a weekly mail. The direct service from London is only once a month, and the time of transit is twenty days. The cost of telegrams is 2*s*. 3*d*. or 3*s*. 2*d*. per word.

OMNIUM. (Fr. *Omnium*, Ger. *Generalschuldverschreibung, Gesamtsumme an Obligationen*, Sp. *Omnium*.)

A Stock Exchange term, signifying the aggregate value of the different stocks upon which a loan is founded.

ON DEMAND. (Fr. *Sur demande, à présentation*, Ger. *bei Sicht*, Sp. *A presentación, á vista*.)

A phrase inserted in bills of exchange when they are payable upon presentation. Such bills need no acceptance.

ONE MAN COMPANY. (See *Private Company*.)

ON THE BERTH. (Fr. *Mouillé*, Ger. *auf der Reede*, Sp. *en el cargadero*.)

This is an expression for a ship, describing her when she is either loading or discharging, or is ready to receive or to discharge.

ON PASSAGE. (Fr. *En destination*, Ger. *unterwegs*, Sp. *en viaje*.)

This term is applied to the cargo of a vessel when it is on its voyage, but has not yet reached its destination.

OPEN ACCOUNT. (Fr. *Compte ouvert*, Ger. *offenes Conto, offenstehende Rechnung*, Sp. *Cuenta al descubierto*.)

This, in book-keeping, signifies an account which is not settled.

OPEN CREDIT. (Fr. *Crédit ouvert*, Ger. *offener Kredit*, Sp. *Crédito abierto*.)

This is the name given to a letter of credit which contains an unconditional request to pay money to another person.

OPEN POLICY. (Fr. *Police ouverte*, Ger. *offene Police*, Sp. *Póliza abierta*.)

In marine insurance, a policy in which the value of the goods, etc., carried is not fixed, but a certain amount provisionally insured, leaving the declaration of the goods and their value to be named subsequently. If it should be discovered afterwards that the amount insured is insufficient to cover the value of the goods, an additional insurance is effected, and a supplemental policy obtained. But if, on the other hand, the value of the goods is less than the sum insured, there is said to be an "over insurance," and the difference is called "short interest." A declaration of this sum being at once made on the policy entitles the insured to a proportionate return of the premium paid.

OPTIONS. (Fr. *Réponse des primes*, Ger. *Differenzgeschäfte*, Sp. *Privilegios*.)

A mode of speculating on the Stock Exchange, where a person pays down

so much per cent. (or so much per share), for the option of buying or selling so much stock (or so many shares) at a fixed price on a certain day, thus limiting his liability or possible loss to a fixed amount. The option to buy is termed a "call"; the option to sell a "put"; and the double option to buy or sell a "put and call." The "put of more" means that the seller of a stated amount has the option of selling double the quantity; the "call of more," that the buyer of a stated amount has the option of buying twice the quantity.

Other markets besides the Stock Exchange deal extensively in options, and in all of them the terms "put" and "call" have the same meanings as above. But the "put of more" and the "call of more" are known on some exchanges as an "option to double," the former being called the "seller's option to double," and the latter the "buyer's option to double."

ORANGE RIVER COLONY. *Boundaries and Extent.*—The Orange River Colony, annexed by Great Britain in September, 1900, lies between the Transvaal in the north and Cape Colony in the south, and between Basutoland and Natal on the east and Griqualand on the west. Its shape is nearly oval, its size a little larger than Portugal, and it is enclosed by the Vaal River on the north, the Orange River on the south, and the Drakensberg Mountains on the east. The area is about 50,000 square miles, and the population 210,000, of whom the whites number 80,000, mostly of Dutch descent, called Boers, who are farmers. There are numbers of British people in the towns, who mainly carry on the trade of the country.

Surface.—The surface is similar to that of the Transvaal, but the average elevation above sea-level is greater, reaching about 5,000 feet. There are large, rough plains, called "Veldt," without trees, dotted with "kopjes" covered by the thorny "bush." On the grassy part of these plains large numbers of antelopes feed, which, with other kinds of game, afford sport as well as profit to numbers of huntsmen. The Drakensberg (or Kwathlamba) Mountains are in the east. Their average height is about 6,000 feet, but the summits of Mount Aux Sources and Cathkin Peak reach over 10,000 feet. The colony is well watered by the rivers Vaal and Orange, and their tributaries. The Vaal, though a tributary of the Orange River, is really larger than it. Among the smaller streams, the Modder and the Caledon are the most important. Many of them are small or waterless in the dry season, but deep and rapid in winter.

Climate and Soil.—The climate is remarkably dry, and is well suited to people suffering from pulmonary complaints. Thunderstorms are of frequent occurrence in summer, and severe cold is sometimes experienced in winter. In places there is great scarcity of water. A large part of the country consists of the rolling plains of the Veldt; but in the eastern part the soil is extremely fertile, and some of the best grain in the world is grown there.

Productions.—The colony for the most part being especially adapted for pastoral pursuits, large numbers of sheep, cattle, and horses are raised. Grazing and agriculture form the chief industries of the Boers. Grain of all kinds is largely grown in the east, and fruits of many varieties are now cultivated with much success. Ostrich farming is largely and lucratively carried on. Diamonds, garnets, and other precious stones are mined in the west, as is also some gold. There are large and rich coal-beds, but this mineral is not yet mined to a large extent.

Trade.—The exports are wool, hides, ostrich feathers, diamonds, gold, grain, and fruits of different kinds. The imports are chiefly manufactured goods. The trade is chiefly with the Transvaal and Cape Colony. Wool and other produce sent abroad is shipped at Port Elizabeth or other towns in Cape Colony. Previous to the Boer war 1899-1902), the exports were valued at nearly £2,000,000 annually, and the imports at £1,200,000.

Means of Communication.—Not many years ago, produce for sale and exportation was taken into Cape Colony in large ox-waggons, and manufactured goods brought back. Now there is a railway line running through the centre of the colony connecting Bloemfontein with Port Elizabeth, Cape Town, and other towns in Cape Colony, and with Johannesburg and Pretoria in the Transvaal. Another line in the north-east connects Harrismith with Natal. There are other smaller lines. There is good telegraphic communication.

Towns. — Bloemfontein (meaning Flowery Fountain) is the chief town. It is pleasantly situated, being surrounded by low hills 200 to 300 feet high, and on this account is somewhat

warmer than other towns. It possesses wide streets and pretty Dutch gardens, and can be easily reached by rail from East London and Port Elizabeth. It is a well-built and thriving town, and contains numerous English residents in a population of 4,000. Other important towns are Kronstad, Winburg, and Smithfield.

Mails are despatched every Saturday afternoon. Bloemfontein is 6,700 miles distant from London, and the time of transit is nineteen days. The cost of telegrams is 2*s.* 6*d.* per word.

ORDINARY STOCK or SHARES. (Fr. *Actions*, Ger. *Kapitalaktien, gewöhnliche Aktien*, Sp. *Valores ordinarios.*)

The stock or shares of a joint-stock or other company, which do not confer any special rights or obligations upon the holders of the same. Ordinary stock or shares are subject to the rights attached to preference stock or shares, and also, in certain cases, to founders' shares, but they have priority over any deferred shares. The particular preference is determined by the memorandum or articles of association, or by any special circumstances applicable to the company.

ORIGINAL BILL. (Fr. *Billet original*, Ger. *Originalwechsel*, Sp. *Letra original.*)

A bill which has been drawn and discounted before any indorsement has been placed upon it. Such bills can never command a good price in the market unless they have been drawn and accepted by houses of the highest repute.

OUNCE. (Fr. *Once*, Ger. *Unze*, Sp. *Onza.*)

A denomination of weight, from the Latin, *uncia*, signifying the twelfth part of anything. The ounce in troy weight is the twelfth part of a pound, and contains 480 grains. In avoirdupois weight, the ounce is the sixteenth part of a pound, and contains 437½ grains troy. In apothecaries' weight, the ounce is equal to eight drams. A troy ounce is equal to 31.1035 grammes, and an avoirdupois ounce to 28.3662 grammes.

OUTPUT. (Fr. *Rendage, rendement*, Ger. *Angebot, Leistungsfähigkeit*, Sp. *Producción.*)

A trade term, used to signify the deliveries or shipments of a business firm, or the quantity of goods produced, within a certain given time. The value of the output in money is called the "turnover."

OUTSIDE BROKERS. (Fr. *Coulissiers*, Ger. *nicht zugelassene Makler*, Sp. *Agentes de la Acera.*)

The name given to those stock-brokers who are not members of the Stock Exchange.

OVER CAPITALISED. (Fr. *à capital excessif*, Ger. *mit zu grossem Kapital*, Sp. *Demasiado Capitalizada.*)

A company is over capitalized when the earning capacity of the concern is not large enough to pay interest on the capital.

OVERDUE BILL. (See *Bill of Exchange.*)

OVERHEAD PRICE. (Fr. *Prix moyen*, Ger. *Durchschnittspreis*, Sp. *Precio medio.*)

The price which includes all items usually charged as extras over the basis price.

OVER TONNAGE. (Fr. *Surabondance de vaisseaux*, Ger. *zu viel Schiffsraum*, Sp. *Demasiado bugues.*)

This signifies that there are more vessels available than are required for the freight which is offered.

OVERTRADING. (Fr. *Commerce trop étendu, spéculations*, Ger. *Ueberspekulation*, Sp. *Especulaciones.*)

Trading beyond the capital embarked in a business or company.

P. This letter occurs in the following abbreviations :—

P/A.,	Power of attorney.
P/C.,	Price current.
P.c.,	Per cent.
Pm.,	Premium.
P/N.,	Promissory note.
P.O.,	Postal order.
P.O.O.,	Post office order.
P.p.,	*Per procurationem.*
Pro,	For.
Prox.,	Proximo—next.
P.S.,	Postscript.

PACKAGE. 1. (Fr. *Paquet*, Ger. *Paket*, Sp. *Paquete.*)

A bundle, bale, or any other receptacle for goods.

2. (Fr. *Prix d'emballage*, Ger. *Verpackungskosten*, Sp. *Empaque, gasto de embalar.*)

The charge made for packing.

PACTION. (Fr. *Pacte*, Ger. *Pakt, Vertrag*, Sp. *Pacto, contrato.*)

Another name for a contract or agreement.

PAID UP CAPITAL. (Fr. *Capital versé*, Ger. *eingezahltes Kapital*, Sp. *Capital pagado.*)

The total sum paid on the shares or stock of a company.

PAID UP SHARES. (Fr. *Actions liberées*, Ger. *vollbezahlte Aktien*, Sp. *Acciones liberadas.*)

The shares of a company upon which the full nominal value has been paid.

Although shares are fully subscribed for at the time they are issued, the whole amount to be paid upon them is not all paid at once, but only a certain amount on allotment, and the balance by calls, either at stated intervals or as may be required. When all the calls are paid the scrip is exchanged for the definite share certificate, and the shares are then termed paid up shares.

PANICS. (Fr. *Paniques, terreurs paniques*, Ger. *Panik*, Sp. *Paniques.*)

These are sudden and violent alarms which occur when, through want of confidence, the public rushes to realize stocks, shares, and other securities, or when, owing to rumours, a bank is said to be unable to meet its liabilities, and a sudden demand is made by the depositors for the repayment of their deposits.

PAPER CREDIT. (Fr. *Crédit sur effets, papier-monnaie*, Ger. *Wechselkredit*, Sp. *Efectos de créditos, Papel moneda.*)

The system of dealing on credit by means of acknowledgments of indebtedness written on paper.

PAPER CURRENCY. (Fr. *Papier-monnaie*, Ger. *Papierwährung*, Sp. *Papel moneda.*)

This consists of bank notes and similar documents which only represent money, but are made a legal tender by some governments. The value of a paper currency depends upon whether it is convertible or inconvertible.

PAPER MONEY. (Fr. *Papier-monnaie*, Ger. *Papiergeld*, Sp. *Papel moneda.*)

This includes all engagements to pay, issued by banks or Government departments, etc., and circulated in place of coin, such as bank notes, promissory notes, bills of exchange, postal orders, and money orders.

PAR. (Fr. *Pair*, Ger. *Pari*, Sp. *Par.*)

The nominal value of stocks or shares. Thus, a £5 share, fully paid up, is at par when it will realize £5 in the open market.

PAR OF EXCHANGE. (Fr. *Pair*, Ger. *Parikurs*, Sp. *Par de cambio.*)

The par of exchange between any two countries means that certain amount of currency of the one which is equal to a certain amount in the currency of the other, supposing the currencies of both to be of the precise weight and purity fixed by their respective mints.

Thus, according to the mint regulations of Great Britain and France, £1 sterling is equal to 25.22 francs, which is said to be the par between London and Paris. The par of exchange between Great Britain and the United States is 4.86, that is, £1 sterling is worth 4 dollars 86 cents; but it is taken at 4 dollars 84 cents according to tariff, a minute deduction being made for mint remedies, and for a moderate amount of wear and tear.

The rate of exchange between England and France is said to be at par when a bill drawn for £100 in London is worth 2,522 francs in Paris, and conversely when £1 in London will buy more than 25.22 francs, exchange is said to be in favour of London.

The foregoing statements explain generally the meaning of the par of exchange, but its exact determination is a matter of extreme difficulty, as so many circumstances influence the calculation of the exact equivalent of a certain amount of the currency of one country in terms of that of another.

The Latin Monetary Union consists of the following countries in which the standard coin, under different names, is equal in value to the French franc.

The countries which have joined the Latin Union are—

(1) *Belgium*; (2) *France*; (3) *Greece*; (4) *Italy*; and (5) *Switzerland.*

The countries which have adopted the Latin Monetary System without joining the Union are—

(1) *Finland*; (2) *Roumania*; (3) *Servia*; (4) *Spain.*

The countries which have assimilated their coinage to that of the Latin Union without adopting the system in its entirety are—

(1) *Chili*; (2) *Colombia*; (3) *Ecuador*; (4) *Guatemala*; (5) *Peru*; (6) *Uruguay*; and (7) *Venezuela.*

The Scandinavian Monetary Union includes the Norse countries, *Denmark, Norway*, and *Sweden.*

"In Belgium, Bulgaria, Greece, Italy, Roumania, Servia, Spain, and Switzerland, the money of account is identical with that of France—the franc—the names alone differing.

"Nearly all the South American States issue standard coins corresponding to the peso of Chili, which is identical with the 5-franc piece of France.

"The principal circulating medium of Austria-Hungary, Russia, Argentine Republic, and Brazil, is paper, but, in the first-named country, the paper is in-

process of being withdrawn and the currency placed on a gold basis, with the crown as a new unit of account.

"In Russia the gold imperial is now rated at fifteen instead of ten roubles, and the paper currency is being replaced by silver and bronze.

"The currency of Japan is now on a gold basis, silver bearing a ratio to that metal of 1 to 32.348.

"In British Honduras the money of account is now the United States gold dollar of 100 cents, subsidiary coins being specially struck for the colony.

"Ceylon and Mauritius also possess special subsidiary currencies on the basis of the rupee.

"By an order in Council, passed in 1894, a British dollar was authorized to be issued for circulation in the East. It is identical in weight and fineness with the Japanese yen, and has been made legal tender in Hong Kong, the Straits Settlements and Labuan."

The third and fourth columns in the table below are calculated on the assumption of the ratio of gold to silver being taken at 15½ to 1; or, in other words, of the price of silver being stationary and of the value of 60½*d.* per oz. troy. For the purposes of exchange the values are very variable, and depend upon other circumstances besides the change in the price of silver.

PRINCIPAL MONETARY UNITS OF FOREIGN COUNTRIES, WITH THEIR APPROXIMATE VALUES IN ENGLISH MONEY AND THE NUMBER OF COINS RECEIVABLE FOR £1 STERLING AT PAR.

Country.	*Money of Account.*	*Approximate value in English money.* s. d.	*No. of coins receivable for £1 at par.*
Argentine Republic ..	Peso of 100 centesimos	3 11½	5.05
Austria-Hungary ..	Krone (new unit) of 100 hellers ..	0 10	24
„ „	Florin or gulden of 100 kreutzer ..	1 11½	10.2
Belgium	Franc of 100 centimes	0 9½	25.22
Brazil	Milreis	2 3	8.9
Bulgaria	Leva of 100 stotinkis	0 9½	25.22
Chili	Peso of 100 centavos	3 11½	5.05
China	Tael of 1,000 cash	6 6¾	3.07
Costa Rica	Colon	1 11	10.43
Denmark	Krone of 100 öre	1 1¼	18.2
Egypt	Pound Egyptian of 100 piastres ..	20 3¾	0.98
Finland	Markka of 100 penni	0 9½	25.22
France	Franc of 100 centimes	0 9½	25.22
German Empire ..	Reichsmark or mark of 100 pfennige	0 11¾	20.43
Greece	Drachma of 100 lepta	0 9½	25.22
Hayti	Gourde	4 0	5.
Holland and Java ..	Florin or guilder of 100 cents ..	1 8	12.
India	Rupee of 16 annas	1 4	15.
Italy	Lira of 100 centesimi	0 9½	25.22
Japan	Yen of 100 sen	2 0½	9.76
Mexico	Peso of 100 centavos	4 3¾	4.64
Norway	Krone of 100 öre	1 1¼	18.2
Paraguay	Peso	3 11½	5.05
Persia	Khran of 20 shahis	0 7	34.28
Peru	Sol	3 11½	5.05
Porto Rico	Dollar	4 1½	4.87
Portugal	Milreis	4 5½	4.50
Roumania	Ley of 100 banis	0 9½	25.22
Russia	Rouble of 100 kopecks	3 2	6.30
Servia	Dinar of 100 paras	0 9½	25.22
Siam	Tical	2 5	8.3
Spain	Peseta of 100 centimos	0 9½	25.22
Sweden	Krone of 100 öre	1 1¼	18.2
Switzerland	Franc of 100 centimes	0 9½	25.22
Tunis	Piastre	0 6	40.
Turkey	Pound of 100 piastres	18 0¾	1.11
United States	Dollar of 100 cents	4 1¼	4.87
Venezuela	Bolivar	0 9½	25.22

PARAGUAY. [illegible]
Brazil, Bolivia,
public. From t[illegible]
by the Paraguay and Parana rivers. It is one of the smallest states of South America, and, like Bolivia, has no sea-coast. The area is estimated at 157,000 square miles, and the population at about 650,000. The southern part of the country is low and swampy. A large part of the northern section is covered with forests, comprising a great variety of timber. The mineral resources are imperfectly known, but iron and copper have been found in several places.

Paraguay has every advantage that nature can afford, and needs only development to become of great commercial importance. Its pastures support vast herds of cattle, and fruits in great variety are grown. New regions are being opened by immigrants, and sugar-culture is growing in importance.

The *manioc root*, from which the tapioca of commerce is produced, is the staple diet of the people. This is to Paraguay and Brazil what rice is to China and Japan, and potatoes to Ireland. The principal export is the *yerba maté*, or Paraguay tea, made of leaves of the ilex tree, dried and reduced to powder. This tea is a mild stimulant, and is extensively consumed in other countries of South America. Paraguay tobacco, a poor article, and hides are other exports. About half the total imports of Paraguay are derived from Great Britain, and consist mainly of *machinery and clothing*.

There is but one railway in the country, 155 miles in length, owned by an English company.

Asuncion, the capital, is situated on the Paraguay river. Villa Rica and Concepcion are other towns of importance.

Great Britain is represented by a consul at Asuncion, whilst Paraguay has a consul-general in London, and consular representatives in addition at Birmingham, Glasgow, and Manchester.

Mails are despatched once a week, either via Liverpool or Southampton. The time of transit to Asuncion is about twenty-eight days. The cost of telegrams is 3*s*. 11*d*. or 4*s*. 2*d*. per word.

PARCEL. (Fr. *Partie, envoi*, Ger. *Partie, collo*, Sp. *Partida*.)

A term applied for each separate shipment of goods.

PARCEL POST. (See *Mail*.)

PARQUET. (Fr. *Parquet*, Ger. *Parkett*. Sp. *Parquete*.)

The sixty official brokers or Agents de Change on the Paris Bourse. In the centre of the Bourse there is a small enclosure called the "parquet," which is reserved for the official brokers to carry on their business.

PARTICULAR AVERAGE. (See *Average Particular*.)

PARTNERS. (Fr. *Associés*, Ger. *Teilhaber*, Sp. *Asociados*.)

Persons who place money in any private company or business for the purpose of carrying on jointly any trade or business.

Partners are active, sleeping, or nominal. The first take a personal part in the business, the second supply funds but take no personal part, and the third are those who lend their names to the business without having any real interest in it. The liability to third parties is the same in the case of each.

Nominal partners are sometimes known as partners by estoppel. If they have so acted as to lead other people to believe that they have a substantial connection with a business firm, they will not be heard to the contrary in any proceedings taken against them to recover contributions, etc.

PARTNERSHIP. (Fr. *Association*, Ger. *Handelsgesellschaft*, Sp. *Asociación*.)

The combination of two or more persons for purposes of trade with a view to profit. A company is also a combination of persons; but there is a great difference between a partnership and a limited liability company. In the former, the individuality of each member is not entirely lost, and a partner cannot, in many cases, escape personal liability for what is done in the name of himself and his co-partners. But in a limited liability company the individuality is lost in the entity established by law.

The combination of persons acting in partnership is generally known as the "firm," and the name under which trading takes place is called the "firm-name." As a man is entitled to trade in his own name, so a combination can trade in the names of all the partners, even though there may be another firm in existence which is known by the same firm-name. The only case in which an injunction can be obtained restraining one firm from using a firm-name which is being used by another firm is where it is clearly shown that a fraud is being perpetrated or is in contemplation. But no two companies bearing the same title can be registered, except when one company is being wound up

and another is being formed for the purpose of carrying on the business.

Since the Companies Act of 1862, no partnership with the object of carrying on business for gain can be established if it consists of more than twenty persons, and in banking businesses the number of partners must not exceed ten. A combination consisting of more than these numbers is illegal, and the contract of partnership is void, unless there has been a registration under the Act, or unless the partnership is incorporated.

By the Partnership Act of 1890 the substantive law upon the subject has been codified. But the whole law is not to be found within the Act itself, since it is specially provided by the Act that "the rules of equity and common law applicable to partnership shall continue in force except so far as they are inconsistent with the express provisions of this Act."

Who are Partners.—At one time it was assumed that if a person could be shown to be a sharer in the profits of a business, that was enough to constitute him a partner, and to render him liable upon partnership contracts. That doctrine is now destroyed, and the true view is that, although the sharing of profits is strong evidence of the existence of a partnership, it is not conclusive. In particular, the following facts alone do not constitute a beneficiary a partner :—

(*a*) The receipt by a person of a debt or other liquidated amount by instalments or otherwise out of the accruing profits of a business.

(*b*) A contract for the remuneration of a servant or agent of a person engaged in a business by a share of the profits of the business.

(*c*) The receipt by the widow or child of a deceased partner of a portion of the profits made in the business in which the deceased was a partner by way of annuity.

(*d*) The receipt of interest varying with the profits, or of a share of the profits of a business by a person who has advanced money by way of loan to a person engaged or about to engage in any business, provided the contract is in writing and signed by, or on behalf of, all the parties thereto.

(*e*) The receipt of a portion of the profits of a business by way of annuity or otherwise by a person in consideration of the sale of the goodwill of the business.

These exceptions are set out in the Act of 1890 ; but with respect to (*d*) and (*e*), if the borrower in the former case, or the purchaser of the goodwill in the latter, becomes insolvent or compounds with his creditors, the lender or seller is postponed as to his rights until the other creditors have received twenty shillings in the £. If, however, a creditor is secured in any way by a charge or a mortgage, his rights under such charge or mortgage will not be affected.

It is clear, therefore, that participation in the profits of a business is not the real test of partnership liability. It is certainly strong evidence of the existence of a partnership, but something more must be shown. The best proof of its existence is probably obtained by showing that the trade is carried on by persons acting as the agents of the persons whom it is sought to make liable.

As persons who share in the profits of a business may not be partners, as far as liability to the world at large is concerned, so persons who do not share in the profits may be held to be partners. For instance, a man may act in such a manner that it would be generally supposed that he was connected with the business. This is what is called "holding-out," and by the Act of 1890 it is provided that "Every one who by words spoken or written or by conduct represents himself, or who knowingly suffers himself to be represented, as a partner in a particular firm, is liable as a partner to any one who has on the faith of any such representation given credit to the firm, whether the representation has or has not been made or communicated to the person so giving credit by or with the knowledge of the apparent partner making the representation or suffering it to be made." The law has not prescribed any particular form of "holding-out," and therefore each case must depend upon its own facts. A person so lending his name to a business, without having any real interest in it, is called a "*nominal*" partner. He is to be distinguished from a "dormant" partner, whose name does not appear to the world, but who shares in the profits.

Formation of Partnership.—Subject to what has already been said, any number of persons may combine to form a partnership. They must have capacity to contract according to the general rules applicable to all contracts. If an infant is a partner, the members of the firm who are not infants are alone

liable upon any partnership contract. If one or more of the partners is an alien, the partnership is dissolved as soon as war breaks out between this country and the country to which the alien belongs.

The contract is one of a consensual nature, that is, it is formed by consent alone. No particular formality is required. It may be created orally, or it may be inferred from the conduct of the parties. Such a thing, however, is extremely rare. The general practice is to have a written agreement or a deed drawn up, which contains all the provisions of the partnership contract. The document is styled the "Articles of Partnership." What it should contain must be decided by the parties themselves. So much must depend upon the amount of capital each party puts into the business, and upon the business capabilities of each of the partners, that no rules can be laid down which will meet every case. Plenty of precedents are to be found in books on practice, and these can be varied according to the wishes of the persons interested. The Articles of Partnership may be varied at any time with the consent of all the parties to them.

When a partnership has been constituted, no new partner can be admitted except with the consent of all the old ones, since a contract cannot be altered against the wishes of any of the original parties to it. In many cases, when a new partner is introduced into the old firm, if the business is a good one and well established, a sum of money is demanded as a price for the introduction. This is called a "premium." It is generally provided that if the partnership comes to an end before the time fixed for its determination, a proportionate part of the premium shall be repaid to the person who has provided it.

It is almost invariably set out in the Articles of Partnership for what period the partnership is to last. Should this period be exceeded, the partnership is called a "partnership at will," and may be terminated at any time. But as long as it lasts the terms of the original partnership agreement are applicable to a partnership at will.

Just as no new partner can be introduced into a firm without the consent of all the existing partners, so no member can be expelled, unless there is an express power of expulsion conferred by the partnership agreement.

Relationship of Partners to one another.—This is generally and very properly provided for by the Articles of Partnership. In its absence the following are the general rules laid down in the Act of 1890:—

(1) All the partners are entitled to share equally in the capital and profits of the business, and must contribute equally towards the losses, whether of capital or otherwise, sustained by the firm.

(2) The firm must indemnify every partner in respect of payments made and personal liabilities incurred by him,

(*a*) In the ordinary and proper conduct of the business of the firm; or

(*b*) In or about anything necessarily done for the preservation of the business or property of the firm.

(3) A partner making, for the purpose of the partnership any actual payment or advance beyond the amount of capital which he has agreed to subscribe, is entitled to interest at the rate of five per cent. per annum from the date of the payment or advance.

(4) A partner is not entitled, before the profits have been ascertained, to any interest on the capital subscribed by him.

(5) Every partner may take part in the management of the partnership business.

(6) No partner shall be entitled to remuneration for acting in the partnership business.

(7) Any differences arising as to ordinary matters connected with the partnership business may be decided by a majority of the partners, but no change may be made in the nature of the business without the consent of all existing parties.

(8) The partnership books are to be kept at the place of business of the partnership (or at the principal place, if there is more than one), and every partner may, when he thinks fit, have access to and inspect and copy any of them.

(9) Each partner is bound to render true accounts and full information of all things affecting the partnership to any other partner or to his legal representative.

(10) Every partner must account to the firm for any benefit derived by him without the consent of the other parties from any transaction concerning the partnership, and from any use by him of the partnership property, name, or business connection.

(11) If a partner, without the consent of the other partners, carries on any business of the same nature as, and competing with that of, the firm, he must account for and pay over to the firm all profits made by him in that business.

All the property originally brought into the business or subsequently acquired by the firm is partnership property, and must be held and applied for the purposes of the partnership alone. If it consists of land, as between the partners themselves, it is regarded as moveable or personal property, and devolves as personalty on the death of a partner, as far as his share is concerned, to the legal representative, the executor or administrator, of the deceased.

Relationship of Partners to Third Parties.—The Articles of Partnership only regulate the duties of partners as far as they themselves are concerned. Third parties have no right to inspect these articles, as they can and must, at their peril, examine the Articles of Association of a limited liability company. As a result, any act of a partner, which is within the scope of the partnership business, and done in the ordinary course of that business, is binding upon all the other partners, unless the person with whom the partner deals actually knows that the particular act is forbidden. In fact, every partner is an agent for the firm and his other partners for the purposes of the partnership, and all the ordinary rules of agency apply to his acts. His position is that of a general agent.

But for those acts which are outside the scope of the partnership business, the other members of the firm are not liable, unless there is a subsequent ratification. A partner cannot bind his firm by deed unless he is empowered to do so by a power of attorney. He is also unable to bind his firm by a guarantee, or by a submission to arbitration.

If he exceeds his authority and does an act outside the scope of the ordinary partnership business, a partner renders himself personally liable in the same manner as an agent acting in excess of his authority. An example of such an excess of authority would be the acceptance of a bill of exchange by a member of a firm of solicitors, since a transaction of this kind is not within the ordinary scope of the business of a solicitor. In the case of a mercantile firm, a partner has naturally full authority to do such an act.

The agency of a partner may continue, even after a dissolution of the partnership, so far as is necessary to wind up the affairs of the firm.

Liability of Partners.—The liability of a partner for the debts and obligations of the partnership commences at the moment he becomes a member of the firm, but he is in no way liable for debts previously contracted. So long as he remains a member of the firm he is jointly liable with his co-partners for all debts contracted while he is a member of it. His liability ceases, as to all subsequent debts, when he retires. But this release is subject to the qualification that notice of retirement must be given when the business of the firm is continued. An advertisement in the *Gazette* is a sufficient notice to all those persons who have had no previous dealings with the firm; but to all those who have had dealings express notice, by circular or otherwise, must be given. Since a dormant partner does not appear to the world as a partner, no notice of his retirement is necessary, except to those persons who knew that he was a partner.

An express agreement made between a creditor, the retiring partner and the other members of the firm may discharge the liability of the retiring partner for debts due to that creditor incurred during the partnership, and in certain cases, without any express agreement, but from the conduct of a creditor and the remaining partners, such a discharge will be implied.

When one of the partners dies, and the partnership is thereby dissolved, his private property is liable for the payment of the partnership debts, so far as they are unpaid, subject to the prior payment of his private debts. But the private creditors of the deceased partner must first be paid in full before any claim can be made by the creditors of the firm.

Dissolution.—If there are Articles of Partnership, some clause or clauses in them will have reference to the termination of the partnership. Subject to any such terms, however, a partnership is dissolved,

(1) If entered into for a fixed time, by the expiration of that term.

(2) If entered into for a single adventure or undertaking, by the termination of that adventure or undertaking.

(3) If entered into for an undefined time, by any partner giving notice to the other or others of his intention to dissolve the partnership, or by the

mutual consent of all the partners.

(4) By the death or bankruptcy of any partner.

(5) By a partner suffering his share of the partnership property to be charged under the Partnership Act for his separate debt. This is only a cause for dissolution at the option of the other partners.

Irrespective of the terms of any agreement, a partnership will be dissolved upon the happening of any event which makes it unlawful for the business of the firm to be carried on, or for the members of the firm to carry it on in partnership.

Sometimes the court will decree a dissolution of the partnership. The power is entirely discretionary, but, as a rule, a dissolution will be decreed,

(*a*) When a partner becomes a lunatic, or incapable of performing his part of the partnership contract.

(*b*) When a partner has been guilty of conduct prejudicially affecting the carrying on of the business of the firm.

(*c*) When a partner is guilty of wilful misconduct.

(*d*) When the business can only be carried on at a loss.

(*e*) When circumstances have arisen which render it just and equitable that there should be a dissolution.

After Dissolution.—In the absence of any special arrangements, on the dissolution of a partnership the whole of the partnership property is converted into money, and the money is disposed of as follows :—

(1) The debts and liabilities of the firm must be paid.

(2) If money has been advanced by any of the partners, beyond the amount of his share of the capital, the advances must be repaid.

(3) After the above claims have been satisfied, each partner is entitled to receive the share of his capital which is due to him.

(4) Any residue is divided among the partners according as they are entitled to share in the profits of the business. (*See Goodwill.*)

PASS-BOOKS. (Fr. *Carnets de banque*, Ger. *Kontobuch*, Sp. *Libros bancarios.*)

Books which pass between a trader and his customers, in which credit purchases or deposits are entered. They are also given by bankers to their customers. They show the amounts paid in by the customer, and the amounts paid out by the bank on his behalf on the cheques he has drawn. It is usual for the pass-book to be made up monthly, when the paid and cancelled cheques are returned with the book to the customer.

In an old case it was necessary for a report to be made to the court as to the nature of the pass-book, and the custom of bankers concerning it. As the existing law is concisely stated in that case, it is reproduced here :—

"A book called a passage-book is opened by the bankers, and delivered by them to the customer, in which at the head of the first folio, and there only, the bankers, by the name of their firm, are described as the debtors, and the customer as the creditor in the account, and on the debtor side are entered all sums paid to or received by the bankers on account of the customer, and on the creditor side all sums pa'd by them to him or on his account. And the entries being summed up at the bottom of each page, the amount of each, or the balance between them, is carried over to the next folio, without further mention of the names of the parties until, from the passage-book being full, it becomes necessary to open and deliver out to the customer a new book of the same kind. For the purpose of having the passage-book made up by the bankers from their own books of account, the customer returns it to them from time to time as he thinks fit, and the proper entries being made by them up to the day in which it is left for that purpose, they deliver it again to the customer, who thereupon examines it ; and if there appears any error or omission, brings or sends it back to be rectified ; or, if not, his silence is regarded as an admission that the entries contained in it are correct ; but no other settlement, statement, or delivery of accounts, or any other transaction which can be regarded as the closing of an old or opening of a new account, or as varying, renewing, or confirming (in respect of the persons of the parties mutually dealing) the credit given on either side, takes place in the ordinary course of business, unless when the name or firm of one of the parties is altered, and a new account thereupon opened in the new name or firm.

"The course of business is the same between such bankers and their customers resident at a distance from the metropolis, except that, to avoid the inconvenience of sending in and returning the passage-book, accounts are from time to time made out by the bankers, and transmitted to the customer in the country when required by him,

containing the same entries as are made in the passage-book, but with the names of the parties, debtor and creditor, at the head, and with the balance struck at the foot of each account; on receipt of which accounts the customer, if there appears to be any error or omission, points out the same, by letter, to the bankers; but if not, his silence, after the receipt of the account, is in like manner regarded as an admission of the truth of the account, and no other adjustment, statement or allowance thereof usually takes place."

The entries in a pass-book are *primâ facie* binding on the banker, but he is not precluded from showing that such entries were made by mistake, unless a customer has acted on the faith of such entry.

It may happen that circumstances will arise in which the pass-book would not of itself be sufficient to satisfy a court of law as to certain transactions between a banker and his customer. To prevent the inconvenience of producing the books of a bank in court, an Act was passed in 1879, called the Bankers' Books Evidence Act, by which a copy of any entry made in the books will be received as *primâ facie* evidence of such an entry. The copy must be duly sworn. But although admissible as evidence of an entry, neither the copy nor the book itself is conclusive proof of the correctness of the entry. Any party to an action may obtain an inspection of a banker's books by an order of the court, if it is clear that such inspection is necessary for the purposes of the action. It is usual to serve the notice of the order upon the banker three clear days before the inspection is to be made. If the banker fails to comply with the order he will be liable for costs and expenses incurred through his default or delay.

PASSING A NAME. (Fr. *Faire l'appel des noms des acheteurs*, Ger. *Angabe des Namens*, Sp. *Mencionar los nombres.*)

On the Stock Exchange this signifies giving the name of the actual purchaser at the settlement.

PASSIVE BONDS. (Fr. *Bons de la dette passive*, Ger. *Passivobligationen*, Sp. *Bonos de la deuda pasiva.*)

Bonds which do not bear any interest, but which entitle the holder to some future benefit or claim upon them.

PASSPORT. (Fr. *Passe-port*, Ger. *Pass*, Sp. *Pasaporc.*)

An official permission to enter or leave a country.

Passports are granted by the Foreign Office only to natural born British subjects, or to persons naturalized either in the United Kingdom or in the British colonies. They are not limited in point of time, but are available for any time, and for any number of journeys.

Applications for passports must be made in writing and addressed to the Passport Department, Foreign Office, London. The charge is 2*s.*, whatever number of people may be named in it. If the applicant resides in the provinces, and if it is desired that the passport be sent by post, a postal order for 2*s.* must accompany the application.

Passports are granted to all persons, either known to the Secretary of State, or recommended to him by some person who is known to him, or upon the application of any banking firm established in London or in any part of the United Kingdom, or upon the production of a certificate of identity signed by any mayor, magistrate, minister of religion, justice of the peace, physician, surgeon, solicitor, or notary public residing in the United Kingdom.

The bearer of a passport granted by the Foreign Office should sign his passpart as soon as he receives it. Without such signature the validity of the passport may be questioned abroad. Travellers who may have an intention of visiting the Russian Empire, the Turkish Dominions or the Kingdom of Roumania at any time in the course of their travels, must not quit England without having their passports indorsed at the Russian Consulate in London, 17, Great Winchester Street, E.C.; at the Consulate-General of the Sublime Porte, 7, Union Court, Old Broad Street, E.C., and at the Roumanian Consulate-General, 37, Old Jewry, E.C., respectively. Travellers about to proceed to any other country need not obtain the indorsement of the diplomatic or consular agents of such country resident in the United Kingdom, except as an additional precaution, which is recommended in the case of passports of old date. A passport must bear a stamp of the value of sixpence.

Although British subjects are now free to enter Belgium, France, Holland, Italy, Denmark, Sweden, and Norway without passports, and the rules about passports have been virtually relaxed in other countries, nevertheless, British subjects about to visit the Continent are recommended not to omit to provide themselves with passports, for even in

those countries where they are no longer obligatory, they are found to be convenient, as offering a ready means of identification, and more particularly when letters have to be claimed at a *poste restante*.

Diplomatic and consular officers are now authorized to issue passports to British subjects abroad.

PATENT. (Fr. *Brevet*, Ger. *Patent*, Sp. *Patente*.)

A species of incorporeal property granted by the Crown to the author or authors of a new invention, by which the profits of the same are secured for a limited period. It is so called because the grant is contained in a charter, or "letters patent," that is, open letters (*literae patentes*), of which Blackstone says: "They are not sealed up, but exposed to open view, with the great seal pendent at the bottom, and are usually directed or addressed by the King to all his subjects at large."

The form now in use for a grant or letters patent is given in the first schedule of the Patents, Designs and Trade Marks Act, 1883. The whole of the existing law as to patents is contained in five statutes passed in 1883, 1885, 1886, 1888, 1901, and 1902.

The effect of the grant is confined to the United Kingdom and the Isle of Man.

Patents are survivals of the ancient monopolies. After the Statute of Monopolies, 1623, the Crown could not grant any trading monopoly, but an exception was made in favour of grants of privilege, for a certain number of years. "of the sole working or making of any manner of new manufactures within this realm, to the true and first inventor or inventors of such manufactures, which others, at the time of making of such letters patent and grants, shall not use; so as also they be not contrary to the law, nor mischievous to the state by raising prices of commodities at home, or hurt of trade or generally inconvenient."

The invention or discovery, in order that it may be the subject matter of a valid patent, must be a manufacture, and of some utility. There can be no patent in a mere principle or idea. Moreover, it must be a new invention within the realm.

It must be borne in mind that an invention is different from a discovery. As discovery is not subject matter for a patent unless it is an addition not only to knowledge, but to known inventions, and produces either a new and useful thing or result, or a new and useful mode of producing on old thing or result.

As to utility, the headnote to a recently decided case tersely expresses the law upon the subject: "A very small amount of utility is sufficient to support a patent. Utility, in patent law, does not mean abstract, or comparative, or competitive, or commercial utility; but as applied to an invention, it means that the invention is better than the preceding knowledge of the trade as to a particular fabric, better, that is, in some respects, though not necessarily in every respect. For instance, an invention is useful by which an article good, though not so good as one previously known, can be produced more cheaply by a different process. And an invention is useful when the public are thereby enabled to do something which they could not do before, or to do in a more advantageous manner something which they could do before—or, in other words, an invention is patentable which offers the public a useful choice."

Any person, and this includes a body corporate, may apply for a patent, whether he is a British subject or not. And, by the Act of 1885, two or more persons may apply, and a patent may be granted to them jointly, although some or one only of them be the true inventors or inventor.

The grantee, or one of the grantees, must be "the true and first inventor." The Act of 1883 does not attempt to define who is "the true and first inventor." The term, however, has been held to signify not only a person who would be so accounted in the popular sense of the word, but to include a person who has imported the invention of another from abroad, or the first person who has obtained a patent when the invention has been made by two or more persons simultaneously. If an inventor within the realm has communicated his invention to another person, that other person cannot obtain a valid patent for it.

The form of application, together with the necessary statutory declaration, is given in the first schedule of the Act of 1883.

If a patent is granted, and it afterwards appears, in any proceedings, that there has been any irregularity in the grant, it will be revoked.

The form of application must be

lodged with the comptroller of patents, designs, and trade marks. It must be accompanied by a specification or description of the invention. Drawings must be added, if necessary to complete the description. Sometimes it is not possible for the inventor to give a complete description at the time of making his application, although he is anxious to avoid being anticipated by any other person. He therefore gives a short description in what is known as a "provisional specification." This must, however, be followed by a "complete specification" within nine months of the date of application, otherwise the application will be deemed to have been abandoned. The forms to be used are given in the Act.

The lodgment of a provisional specification is a great boon to the intending patentee. Within the period of nine months allowed for further consideration, he may discover that his supposed invention is not new, or that it is capable of further improvement, and in any case he will save himself from any expense, beyond the sum of £1, which must be paid when the application and provisional specification are left with the comptroller. An additional sum of £3 must be paid when the complete signification is lodged, and these are the total fees payable up to the end of the fourth year from the date of application.

The application and the specification are referred to an examiner, who reports upon the whole, and in addition the acceptance of the specification is advertised, so that any person may make an inspection of the same. Within two months of the date of the advertisement notice of opposition to the grant of a patent may be given, on the ground that the applicant for the patent has obtained the invention from the objector, or from a person of whom the objector is the legal representative, or that the invention is not new, or that it has been the subject of a previous application.

If the examiner reports favourably, and there is no opposition, or if the opposition is unsuccessful, a patent will be granted to the applicant, authenticated by the seal of the Patent Office. But the comptroller may refuse a grant if he is of opinion that the use of the invention would be contrary to law or morality.

The applicant may use and publish his invention any time after the acceptance of his application, without prejudicing his rights. And it is also provided by the principal Act of 1883 that the rights of an inventor shall not be affected by the exhibiting of his invention at an industrial or international exhibition prior to his application for a patent, upon his giving notice to the comptroller of his intention to do so, provided that the application itself is not delayed beyond six months from the date of the opening of the exhibition.

On certain grounds, mainly those of fraud, a duly granted patent may be revoked.

The patent is dated with the date of the application and lasts for fourteen years. But the extension beyond four years is dependent upon the payment of certain fees for each succeeding year as follows :—

For the	5th year . . .	£5
,,	6th ,, . .	£6
,,	7th ,, . .	£7
,,	8th ,, . .	£8
,,	9th ,, . .	£9
,,	10th ,, . .	£10
,,	11th ,, . .	£11
,,	12th ,, . .	£12
,,	13th ,, . .	£13
,,	14th ,, . .	£14

By failing to keep up the yearly payments a patentee can allow his patent to lapse at the end of any year. His decision will be based upon the prospects of success attending his invention. In addition, if a patentee means to amend his specification, up to the time of sealing, he must pay a further fee of £1 10*s*; after sealing the fee is £3.

An inventor may sometimes obtain an extension of time, up to an additional fourteen years. For this purpose a petition to the Judicial Committee of the Privy Council is necessary. The principal grounds upon which prolongation is recommended are the merit of the invention and the inadequate remuneration of the inventor. Each case will depend upon its own peculiar merits. In a recent case where it appeared that the invention was of considerable merit, that there had been great difficulties in introducing it, and that the petitioner had incurred losses in his efforts to do so, an extension of ten years was recommended.

Patents are generally taken out through a patent agent, and this is the best plan for an inventor to adopt. A patent agent must be a person registered under the Act of 1888. Any person who advertises himself as a

patent agent, without being duly registered under the Act, is liable to a fine of £20.

A register is kept at the Patent Office, and in it are entered all particulars as to patents, the names and addresses of the grantees, notifications of assignments and transmissions, of licences, of amendments, of extensions and revocations, and of such other matters as affect their validity and ownership. The register is open to public inspection, and certified copies of any entries can be obtained. Any person aggrieved by an entry in the register may apply to the court for its rectification.

A patentee may assign his patent absolutely, or limit the same to any part of the United Kingdom or the Isle of Man. Although it does not appear to be necessary that the assignment should be made by deed, it is the common practice to use a deed not only for an assignment, but also for a licence.

The Board of Trade may compel a patentee to grant licences for the use of his invention, upon such terms as shall appear just, if it is satisfied by any person that—

(1) The patent is not being worked in the United Kingdom; or

(2) The reasonable requirements of the public with respect to the invention cannot be supplied; or

(3) Any person is prevented from working or using to the best advantage an invention of which he is possessed.

It has been recently held that the right of making and using a patented chattel, and the licensing others to use it, is an incorporeal right distinct from the right of property in the chattel itself. Therefore, although a landlord, under a distress for rent, may seize and sell the chattel if it happens to be on the demised premises, the person purchasing it can be restrained from using the chattel.

The Crown may make any arrangement with a foreign state for mutual protection of inventions, designs, or trade marks, and if an order in council to such effect is in force, any person who has applied for protection for any invention, design, or trade mark in any such state is entitled to protection in this country, and the patent, or the registration of the trade mark, is to have the same date as the date of application in such foreign state. The application must be made, in the case of a patent, within twelve months, and in the case of a trade mark within four months, from the application for protection in the foreign state.

A committee, appointed by the Board of Trade in 1900, recommended certain improvements in the examination of inventions before patents are granted, as it appeared that over 42 per cent. of the inventions for which patents were granted were found to have been anticipated in whole or in part. Certain new proposals were also put forward as to the granting of compulsory licences. At present it is generally recognized that an English patent is practically valueless until its validity has been tested in a court of law.

PATENTEE. (Fr. *Breveté*, Ger. *Patentinhaber*, Sp. *Poseedor.*)

The person to whom a patent is granted.

PAWN or PLEDGE. (Fr. *Gage*, Ger. *Pfand*, Sp. *Prestamo.*)

The delivery of the possession of goods, or of documents of title to goods by one person, called the transferor, pawner, or pledgor, to another, called the transferee, pawnee, or pledgee, as a security for the payment of a debt or the performance of a specified engagement. Its effect is to transfer along with the possession all consequent rights, and therefore the transferee, pawnee, or pledgee can maintain an action for the return of the goods or documents pledged, if they are taken from him, as well as the transferor, pawner, or pledgor.

There is no need of writing or other formality to complete the security created by a pledge. The pledgee has the right to retain possession of the goods until the debt is paid, and if it is not paid on the date fixed, or after reasonable notice requiring payment when no date is fixed, he may sell the goods pledged, deduct the amount of his debt together with interest and costs, and return any balance to the pledgor. If the sale of the goods does not produce a sum sufficient to satisfy the debt, interest, and expenses, the pledgee has a personal claim against the pledgor for the balance.

Since the property or ownership in the goods does not pass to the pledgee, there is no right of foreclosure such as is incidental to a mortgage. There is an implied undertaking on the part of the pledgee to return the articles pledged when the debt is paid, unless they have been already sold under the above-mentioned right of sale.

The pledgee must use ordinary diligence in his care of the pledge; but if

it is lost, in spite of such diligence, he incurs no liability. Again, if the pledge is stolen, the pledgee must prove that he was not wanting in the care which an ordinarily prudent man would have shown in doing all he could to insure safety. If it is taken in robbery the pledgee is entirely exonerated. He must not use the pledge, unless it is of such a nature that it will not deteriorate by wear, and if he does so he acts at his peril.

PAWNBROKER. (Fr. *Prêteur sur gages, commissionaire au mont de piété*, Ger. *Pfandleiher*, Sp. *Prestamista.*)

A person who lends money on pawns or pledges, being duly licensed to do so.

The business of a pawnbroker is now regulated by the Pawnbrokers Act, 1872, of which the principal provisions are :—

(1) The Act does not apply to loans of more than £10.

(2) The pledge must be authenticated by a pawn-ticket.

(3) Every pledge may be redeemed at any time before sale, except that where the amount lent is not more than 10*s.*, the pledge becomes the absolute property of the pawnbroker after twelve months and seven days.

(4) If the loan exceeds 10*s.* the pledge must be sold by auction. Any balance, after the expenses of the sale, the loan, and the interest have been paid, belongs to the pledgor, who is, in turn, liable to be sued for any deficiency.

(5) Special contracts may be entered into when the amount of the loan exceeds 40*s.*, and must be authenticated by special pawn-tickets signed in duplicate.

The rate of interest which a pawnbroker is entitled to charge is—

(*a*) On pledges for sums not exceeding 10*s.*, one halfpenny for every month or part of a month on each 2*s.*, and a halfpenny for the ticket.

(*b*) On pledges for sums between 10*s.* and 40*s.*, the same rate as before, and one penny for the ticket.

(*c*) On pledges for sums between 40*s.* and £10, one halfpenny for every month or part of a month on each 2*s.* 6*d.*, and one penny for the ticket.

As a pawnbroker is liable for loss by fire, it is his duty to protect himself by insurance.

If a pawnbroker takes in pledge stolen goods, or goods which are not the property of the pledgor, he may be compelled to restore the same to the rightful owner, and he is not entitled under ordinary circumstances to any compensation for the loss he sustains.

On the sale of a pledge there is no warranty of title on the part of the pawnbroker. The buyer has only the rights in the pledge transferred to him, which the pawnbroker himself had. If, therefore, for example, an article is stolen and pledged with a pawnbroker, and the pawnbroker sells it under his statutory right, the real owner can demand restitution of the article from the buyer, and the buyer has no remedy, in the absence of any express warranty or of fraud, against the pawnbroker.

The holder of the pawn-ticket is presumed to be the owner of the pledge, and is entitled *primâ facie* to demand its production. If the real owner loses the ticket he must apply to a magistrate for relief.

The licence of a pawnbroker, which is only granted on the production of a magistrate's certificate, costs £7 10*s.* per annum for each shop kept by him. An additional duty of £5 15*s.* per annum is charged if the pawnbroker deals in plate, without regard to weight.

PAWNEE, or PLEDGEE. (Fr. *Prêteur sur gage*, Ger. *Pfandbesitzer*, Sp. *Prestamista.*)

The person who takes any article in pawn or pledge, or with whom such article is deposited.

PAWNER, or PLEDGOR. (Fr. *Emprunteur sur gage*, Ger. *Pfandgeber*, Sp. *Impositor.*)

The person who deposits an article with a pawnee or pledgee by way of security for a debt.

PAY DAY. (Fr. *Jour de paye, jour de paiement*, Ger. *Stichtag, Zahltag*, Sp. *Tercer dia de liquidaciones.*)

This is the last day of the settlement on the Stock Exchange, when stocks and shares are taken up and paid for, or the differences paid and received.

PAYEE. (Fr. *Porteur*, Ger. *Inhaber*, Sp. *Portador.*)

The person or the firm to whom a bill of exchange or cheque is made payable.

When a bill is not made payable to bearer, the payee must be named or otherwise indicated with reasonable certainty. By French and German law the payee must be named.

It is now possible, since the Bills of Exchange Act, 1882, to make a bill payable to two or more payees jointly, or in the alternative, and the payee is sufficiently indicated if he is simply described as the holder of an office for the time being, e.g., "the treasurer of the A. society."

Where the payee is a fictitious or non-existing person (and this includes a real person who never had or was intended to have any right to the bill), the bill may be treated as payable to bearer.

If the bill is payable to a person or his order, it must be indorsed by that person before it can be negotiated. (See *Bill of Exchange.*)

The word payee (Fr. *bénéficiaire*, Ger. *Empfänger*, Sp. *Cobrador*) also signifies any person to whom money is paid.

PAYER. 1. (Fr. *Payeur*, Ger. *Bezahler*, Sp. *Pagador.*)

The person who pays money.

2. (Fr. *Payant*, Ger. *Bezogener*, Sp. *Pagador.*)

The person or firm by whom or which a bill of exchange or promissory note is paid.

PAYING IN SLIP or **DEPOSIT SLIP.** (Fr. *Bordereau*, Ger. *Einzahlungszettel*, Sp. *Vale.*)

The document upon which is written the amount of bills, notes, cheques, and money paid into a bank to the credit of the person or firm whose name appears on the slip.

PECK. (Fr. *Picotin*, Ger. *ein Viertel Buschel*, Sp. *Cuarta de fanega.*)

A dry measure of two imperial gallons, or 554½ cubic inches ; the fourth part of a bushel.

PENNY. (Fr. *Penny, dix centimes, deux sous*, Ger. *Etwa acht Pfennig, Penny*, Sp. *Penique, diez céntimos.*)

A bronze coin used in the English currency. The name is extremely ancient. It was a coin introduced by the Saxons, and was the only one current for a long period. At first it was composed of silver, and minted with a cross engraved so deeply as to enable it to be broken into halves and quarters ; hence the terms halfpenny and fourthing, or farthing. The letter *d*, which indicates a penny, is the initial letter of the Latin *denarius*, consisting of ten, a Roman coin marked X, and consisting of ten units.

PENNYWEIGHT. (Fr. *Denier de poids*, Ger. *Pfenniggewicht*, Sp. *Peso de* 24 *granos.*)

A troy weight, consisting of 24 grains, each of which is about equal in weight to a grain of wheat from the middle of a well-dried ear. It derives its name from the old silver penny, the weight of which was the same. Twenty pennyweights are equal to one troy ounce. The word is contracted in writing into dwt.

PER ANNUM. (Fr. *Par an*, Ger. *per annum, jährlich*, Sp. *Por año.*)

By the year.

PER CENTAGE. (Fr. *Pourcentage, percentage*, Ger. *Prozentsatz*, Sp. *Por ciento.*)

The duty, commission, or allowance on a hundred.

PER CONTRA. (Fr. *Par contre*, Ger. *dagegen*, Sp. *Por contra.*)

A term used in book-keeping and accounts generally to mean on the other side.

PER DIEM. (Fr. *Par jour*, Ger. *pro Tag, täglich*, Sp. *Por dia.*)

By the day.

PER MILLE. (Fr. *Le mille*, Ger. *pro Mille, vom Tausend*, Sp. *Per milla.*)

By the thousand. It is a charge made by bill brokers on the issue of foreign drafts, and is abbreviated into $^{o}/_{oo}$, so that 5 per thousand is indicated thus $5\ ^{o}/_{oo}$.

PERCH. (Fr. *Perche, cinq mètres*, Ger. *Rute*, Sp. *Perca.*)

In linear measure, the length of 5½ yards. In surface measure, the square of 5½ yards, or 30¼ square yards.

PERILS OF THE SEA. (Fr. *Dangers maritimes*, Ger. *Seegefahr*, Sp. *Riesgos de mar, Riesgos de fuerza mayor.*)

A phrase used in maritime insurance policies and bills of lading. It has reference to the damage and accidents likely to be incurred by a vessel on a voyage, the risks of which are taken by the underwriters in the policy.

PERMITS. 1. (Fr. *Permis*, Ger. *Zollscheine*, Sp. *Permisos.*)

Permissions from a custom house officer to remove goods upon which duty has been paid.

2. (Fr. *Passe-debout*, Ger. *Zollscheine*, Sp. *Vales.*)

Permissions from the excise to allow goods, subject to inland revenue duty, to be removed from one place to another.

PERQUISITES. (Fr. *Emoluments, revenus casuels*, Ger. *Sporteln*, Sp. *Emolumentos.*)

The fees which are legally allowable for some specific service.

PERSIA. Persia occupies the western part of the Plateau of Iran. It lies to the east of Turkey, and between the Caspian Sea and the Persian Gulf. A great part of this area is desert. The population is thought to number about 9,000,000. Outside of the towns and villages the people are mainly tent-dwellers, depending on their flocks.

Fruits in great variety, the opium poppy, tobacco, and the mulberry are cultivated. Silk is chiefly produced in the Caspian provinces. Opium is exported to China and Europe, and wool to Bombay and Marseilles. The hand-

made carpets of this country have a world-wide reputation. Goods going to India and China are shipped from the ports of the Persian Gulf. Trade with Europe is partly from the Caspian ports and partly by caravan.

Teheran, the capital, is situated in the northern part. The city is about as large as Nottingham. The only other considerable town is Tabriz, in the extreme north-west, near the Caucasian boundary, and Bushire, on the Persian Gulf.

Great Britain has consular representatives at Bundar Abbas, Bushire, Hamadan, Ispahan, Kerman, Kermanshah, Meshed, Muhumrah, Resht, Shiraz, Seistan, Tabriz, Teheran, and Yezd. Persia has no commercial representative in this country with the exception of a consul-general in London.

Mails are despatched daily to Persia via Russia, and every Friday via Bombay. The time of transit to Teheran is twenty-two days. The cost of telegrams is 1*s.* 9*d.* per word to Bushire, and 1*s.* 6*d.* per word to other parts of the country.

PERSONAL ACCOUNTS. (Fr. *Comptes particuliers*, Ger. *Privatkonto*, Sp. *Gastos personales.*)

Those accounts which are made out and show the state of the account between a trader and every person, firm, or company with whom he has had dealings of any nature. They are so called in distinction to nominal and real accounts.

PERSONAL SECURITIES. (Fr. *Actions nominatives*, Ger. *Privatobligationen*, Sp. *Seguridades personales.*)

Securities which give the holder a claim upon a person for money advanced or services rendered, and which are not otherwise provided for.

PERSONALTY or PERSONAL PROPERTY. (Fr. *Meuble, bien mobilier*, Ger. *persönliches Eigentum*, Sp. *Bienes muebles.*)

Moveable property, consisting of such things as money, goods, furniture, other chattels, and leases for years, in distinction to real property, consisting of freehold land, houses, etc.

PERU. Peru is situated on the Pacific coast, east of Ecuador, and west of Brazil and Bolivia. Its area is estimated at 460,000 square miles. The population is about 3,600,000, of which the great majority are Indians and half-breeds. Along the coast the country is low. The lands lying to the eastward of the Andes are very fertile, and will be opened to enterprise and trade by the completion of railways and irrigation works now projected. The ocean cable on the coast has stations at Payta, Callao, and Lima. Peru is intersected by the head waters of the Amazon, which afford it communication with the Atlantic.

The chief exports are guano, nitre, sugar, Peruvian (cinchona) bark, wool, both from sheep and from the alpaca goat, and ores.

Lima is the capital, and chief centre of trade and wealth. It is connected with Callao, its seaport, by railway. Some of the largest and finest business houses in Lima are owned by Chinese merchants, who have the monopoly of trade in certain textile goods. A New York firm controls most of the foreign trade of the country.

Great Britain is represented by a consul-general and vice-consul at Lima and Callao, by a consul at Yquitos, and by vice-consuls at Arequipa, Cerro de Pasco, Mollendo, Pacasmayu, Payta, Perené, Pisco, and Salaverry. The consular representatives of Peru in the United Kingdom, in addition to the consul-general in London, are at Belfast, Cardiff, Dublin, Dundee, Glasgow, Liverpool, Queenstown, and Southampton.

Mails are despatched about once a week by various routes, the regular one being via Southampton every fortnight. Lima is 7,020 miles distant from London. The time of transit is thirty days. The cost of telegrams is 5*s.* 9*d.* per word.

PESETA. (Fr. *Pièceite*, Ger. *Peseta*, Sp. *Peseta.*)

The diminutive of peso. It is the unit of value in Spain, and is divided into 100 parts, called centimos. It has a circulating value about equal to that of the French franc, that is, 9½*d.*

PESO. (Fr. *Pièce*, Ger. *Peso*, Sp. *Peso.*)

The unit of value in most South American States, excepting Brazil. Its circulating value is about the same as the French 5-franc piece, that is, 3*s.* 11½*d.*

PETITIONING CREDITOR. (Fr. *Créancier pétitionnaire*, Ger. *beantragender Gläubiger*, Sp. *Acreedor peticionario.*)

The creditor who has filed a petition in bankruptcy, requesting the court to make the debtor a bankrupt.

PETTY CASH BOOK. (Fr. *Frais généraux*, Ger. *kleine Kasse*, Sp. *Libro de gastos menores.*)

A book set aside for an account of small payments made. Its use curtails the number of entries which would have

to be made in respect of such payments in the general cash book.

PIASTRE. (Fr. *Piastre*, Ger. *Piaster*, Sp. *Piastra.*)

An Italian word, signifying a thin plate of metal. The name has been adopted for a coin in the Levant. The Turkish piastre is worth a fraction more than 2*d.* in English money, and the Egyptian piastre about 2½*d.* The Spanish piastre is an imaginary coin, having for purposes of exchange a circulating value of five pesetas. The Tunisian piastre is worth a minute fraction more than 5½*d.*

PIECE GOODS. (Fr. *Marchandises à la pièce*, Ger. *Stückgüter, Ellenwaren*, Sp. *Géneros vendidos por piezas.*)

Those goods which are sold by the piece, as sheetings, cambric, canvas, carpets, etc., such articles being described by the customs as cotton piece goods, linen piece goods, etc., according to the raw material from which they are made.

PILFERAGE. (Fr. *Coulage*, Ger. *Diebstahl*, Sp. *Rateria.*)

A term used in shipping documents, referring to any loss caused by theft during transit.

PILOT. (Fr. *Pilote*, Ger. *Lotse*, Sp. *Práctico.*)

A person taken on board ship at a particular place for the purpose of conducting the vessel through an intricate channel, river, road, etc., or into or out of port. No man can act as a pilot unless he is properly qualified and licensed. By English law, as soon as a pilot is taken on board, if the ship is by law subject to pilotage, the master has no longer any control over the navigation of the vessel until she is safe in harbour, or out of pilotage limits, and by general maritime law the owners are not responsible for any loss or damage that may arise from the negligence of the pilot, unless it appears that the loss or damage arose from the neglect or misconduct of the crew in disobeying the orders of the pilot. But there are exceptions to this general rule. The effect of taking a pilot on board in the Suez Canal is to constitute him adviser only. The owners cannot then shelter themselves behind compulsory pilotage. By the laws of some countries pilotage, even though compulsory, is never a defence. If a pilot negligently loses a ship committed to his care and is convicted, he becomes legally incapacitated from acting as a pilot. The rates payable for pilotage are fixed by the port authorities, both in the United Kingdom and abroad.

PILOTAGE. (Fr. *Pilotage*, Ger. *Lotsengebühr*, Sp. *Practicage.*)

The act of employing a pilot, or the sum of money paid for his services.

PINT. (Fr. *Pinte*, Ger. *Pinte, Schoppen*, Sp. *Pinta.*)

A measure of capacity, the eighth part of a gallon, used both for liquids and dry goods. The imperial, or legal pint is equivalent to a little more than 34½ cubic inches.

PIPE. (Fr. *Pipe*, Ger. *Pipe*, Sp. *Pipa.*)

A measure of capacity, used almost exclusively in the wine trade, especially in France, Spain, and Portugal, where, however, the capacity varies. The common English pipe contains very nearly 185 imperial gallons: but there are variations in the measure of different kinds of wine—a pipe of port containing 114 imperial gallons, a pipe or butt of sherry, 108 gallons, and a pipe of Maderia, 92 gallons.

PLAINT. (Fr. *Plainte*, Ger. *Klage*, Sp. *Pleito.*)

The exhibition of an action in writing against a person.

PLAINTIFF. (Fr. *Demandeur, partie civile*, Ger. *Kläger*, Sp. *Demandante.*)

A complainant in a court of law, that is, one who commences and carries on a law-suit against another.

PLANT. (Fr. *Matériel, équipage, outillage, installation*, Ger. *Betriebsanlage*, Sp. *Planta, material.*)

The fixtures, tools, machinery, and other appliances necessary for the carrying on of a business.

PLEA. (Fr. *Défense*, Ger. *Verteidigungsrede*, Sp. *Defensa.*)

The defendant's answer in a law-suit to the declaration of the plaintiff.

PLEADINGS. (Fr. *Plaidoiries*, Ger. *Verhandlungen*, Sp. *Actuaciones.*)

The statements of the two parties to a law-suit, setting out the facts of the complaint and the defence.

POLICY. (Fr. *Police*, Ger. *Police*, Sp. *Póliza.*)

The document which sets out the terms of the contract of insurance entered into between the insurers and insured. Policies of life and marine insurance are assignable by statute, under certain conditions. Fire insurance policies are not, as a rule, assignable.

POLICY HOLDER. (Fr. *Assuré*, Ger. *Policeninhaber*, Sp. *Asegurador.*)

The person who has in his possession, or under his control, a policy of insurance. He may be either the insured himself or the assignee of the policy.

POLICY PROOF OF INTEREST. (Fr. *Droit qui dépend de la police*, Ger. *Beweis durch Police allein*, Sp. *Derecho de posesión.*)

This signifies that in the event of a loss the insured is entitled to recover from the underwriters without producing any other document than the policy to which the clause is attached.

PORT. 1. (Fr. *Port*, Ger. *Hafen*, Sp. *Puerto.*)

A place for the arrival and departure of ships, where they embark and discharge cargoes. For the use of the accommodation provided certain charges are made, called port charges. With the exception of certain coasting vessels of small burden, every British ship must be registered at some port, called its port of registry. The port is then the place of origin of the vessel.

2. (Fr. *Sabord*, Ger. *Pfortluke*, Sp. *Tronera.*)

In nautical language, an aperture in a ship's side, to admit light and air, and through which a gun can be pointed.

3. (Fr. *Bâbord*, Ger. *Backbord*, Sp. *Babor.*)

The left-hand side of a ship when looking towards the bow, in which sense it has taken the place of the name larboard.

PORTAGE. 1. (Fr. *Port*, Ger. *Tragen*, Sp. *Acarreo.*)

The act of carrying, generally called porterage.

2. (Fr. *Port, frais de port*, Ger. *Tragerlohn*, Sp. *Acarreo.*)

The price charged for the act of carrying. This is also generally called porterage.

3. (Fr. *Portage*, Ger. *Tragstelle*, Sp. *Trasbordo.*)

A piece of land lying between two lakes or streams, over which goods and boats have to be transported by porters.

PORTER. (Fr. *Porteur*, Ger. *Lastträger*, Sp. *Portador.*)

A person who carries burdens for hire.

PORTERAGE. (Fr. *Portage, port*, Ger. *Botenlohn*, Sp. *Porteria, portage.*)

The charge made by the post office for the delivery of telegrams outside the radius of free delivery. The ordinary charge for inland telegrams includes delivery within the town postal limits, or within three miles of a head office. Beyond that limit the charge is 3*d.* a mile from the office door. Porterage is generally paid by the sender of the telegram.

PORTUGAL. *Position, Area, and Population.*—Portugal forms the greater part of the western portion of the Iberian peninsula, and is the part of continental Europe nearest to America. It is somewhat larger than Ireland, and has a population about equal to that of Canada.

Industries.—The energies of the people have been devoted mainly to vine-growing and, in recent years, to cattle-grazing. Cork is a product of some importance. Oranges, lemons, olives, figs, and other fruits grow in profusion.

There are mines of lead and copper. The richest of these are worked by English companies, and the product is exported as raw material.

The principal industry is the manufacture of wine, which is busily carried on in all parts of the country. The fisheries yield sardines, oysters, and tunny, mainly for export to England, Italy, and France.

Commerce.—The foreign commerce consists principally of the export of wines, cork, pickled fish, and copper; and the imports of cereals, cotton and woollen goods, machinery, iron, and coal. Most of the sales are to Great Britain, France, Germany, and Brazil (a Portuguese-speaking country), and nearly half of all the purchases are from Great Britain.

The value of the products shipped from Great Britain to Portugal annually is over 2½ millions sterling, consisting chiefly of manufactured goods. Great Britain buys from Portugal merchandise to the value of over 3 millions, the great items being wine and cork.

Commercial Towns.—Lisbon, the capital and chief commercial city, is situated near the Atlantic coast ten miles from the mouth of the Tagus. It is less than Sheffield, and exports wine, wool, and olive-oil. Lisbon is connected by submarine cables with Brazil and England.

Oporto, near the mouth of the Douro, is the principal seaport for the shipment of wine, particularly "port" wine, so called from the name of the city. Brocades, laces, and pottery are made here. Oporto is about as large as Croydon.

Foreign Possessions.—The foreign possessions of Portugal, though of great extent, are not yet of much commercial value.

The Azores are a group of small islands in the Atlantic, 800 miles west of Portugal. St. Michael, the largest of these islands, has an area of about 200 square miles. Oranges and pineapples are the chief exports.

Madeira, in the Atlantic, south-east of the Azores, produces the rich wine

which bears its name. The Cape Verde Islands, off the west coast of Africa, export coral and sea-salt. St. Vincent is an important coaling station. St. Thomas, an island nearly under the equator, exports coffee, cocoa, and cinchona.

Angola, on the south-west coast of Africa, south of the Congo river, is ten times as large as England. It has deposits of iron, lead, and sulphur. The chief town is St. Paul de Loanda.

Mozambique is a strip of territory nearly six times as large as England, extending 1,200 miles along the south-east coast of Africa. It is rich in coal, iron, copper, and gold, but the deposits have not been developed. The principal exports are ivory, rubber, gums, and oils. The traffic in these is mostly with Portugal and England.

The seaport of Goa, on the west coast of Hindustan, was at one time an important trading station. The Portuguese district of the same name is less than one-sixth the size of Wales. The staple product is rice. Macao, a settlement on the south coast of China, not far from Hong Kong, is important only as a depot for the preparing and shipping of tea. Timor, an island of the East Indies, part of which belongs to Portugal, has great forests of sandal wood, which is its chief export.

Great Britain is represented by consuls or vice-consuls at Lisbon and Oporto in Portugal, at Funchal in Madeira, at St. Michael's in the Azores, and at St. Vincent in the Cape Verde Islands. Portugal has a consul-general in London, and consular representatives at Cardiff, Cork, Dublin, Dundee, Glasgow, Hull, Leith, Liverpool, Newcastle, and Southampton.

Mails are despatched daily to Portugal. The time of transit to Lisbon, which is 1,110 miles from London, is 52 hours, and to Oporto 57 hours. The cost of telegrams is 3½*d.* per word.

POST. 1. (Fr. *Poste*, Ger. *Post*, Sp. *Correo.*)

The established system for the conveyance of letters. (See *Mail.*)

2. (Fr. *Ecu*, Ger. *Briefpapier*, Sp. *Papal de correo.*)

A size of writing paper about 15¼ ins. by 19 ins., so called from the watermark, a postman's horn.

3. (Fr. *Porter au livre*, Ger. *buchen*, Sp. *Asentar.*)

In book-keeping, to transfer an entry from any other book to the ledger.

POSTAGE. (Fr. *Ports de lettres, port*, Ger. *Porto*, Sp. *Gastos de correo.*)

The money paid for the conveyance of letters, newspapers, book-packets, etc., by post. (See *Mail.*)

POST DATE. (Fr. *Postdater*, Ger. *nachdatieren*, Sp. *Posdatar.*)

To date after the real times. Post-dating occurs most frequently in connection with bills of exchange and cheques. The former are not invalid by reason of being post-dated. But the issue of the latter is a breach of the stamp laws, so that if a holder attempts to enforce his claim before the date named on the cheque, the drawer renders himself liable to penalties. But a post-dated cheque may be put in evidence in the course of an action at law for a collateral purpose.

POST ENTRY. (Fr. *Déclaration additionnelle*, Ger. *Nachdeklaration*, Sp. *Entrada notada.*)

When a bill of sight has been given in respect of goods, and it is afterwards discovered that the descriptions and quantities in the bill are incorrect, a post-entry is required to give the correct particulars.

POST MERIDIAN. (Fr. *Post méridien, de l'après-midi*, Ger. *nachmittags*, Sp. *Despues del mediodia.*)

After mid-day ; in the afternoon.

POST OBIT BOND. (Fr. *Contrat exécutoire après décès*, Ger. *nach dem Tode zahlbare Verschreibung*, Sp. *Escritura valable después de la muerte.*)

A bond in which a person receiving money binds himself to repay the same—generally with the addition of a large amount by way of interest—after the death of an individual from whom he has expectations. These bonds are not looked upon with favour in equity, and relief will sometimes be granted against them when made by heirs or other expectants. Mere inadequacy of price is not sufficient to set aside a post-obit bond, but if it is shown that there has been anything of an over-reaching or unconscionable nature in the transaction, the court may order the bond to be delivered up, and only order the grantor to pay the sum of money actually advanced together with reasonable interest and costs.

POSTAL ORDERS. (See *Money Orders.*)

POSTAL RATES. (See *Mail.*)

POSTE RESTANTE. (Fr. *Poste restante*, Ger. *postlagernd*, Sp. *Lista de correo, Poste Restante.*)

A French phrase written upon letters and parcels sent through the post when

they are to remain at the post office until the addressee calls for them. As this is a convenience established solely for the accommodation of strangers and travellers, it is subject to several restrictions.

(1) The words "poste restante," or "to be called for," must be included in the address.

(2) Residents in a town cannot make use of the Poste Restante, and strangers may not use it for more than two months.

(3) Letters or parcels addressed to initials, to fictitious names, or to a Christian name without a surname, are not received.

(4) Letters or parcels may not be re-directed from one Poste Restante to another in the same town, nor from a private address to a Poste Restante in the same town.

(5) Persons applying for letters or parcels must furnish all necessary particulars to prevent mistakes and to insure delivery to the persons to whom they properly belong. They must give some evidence of their identity.

(6) Letters from abroad addressed to the "Poste Restante, London," are retained for two months, letters from provincial towns for one month, and letters posted in London for a fortnight. At the expiration of these respective times they are sent to the returned letter office for disposal. A letter addressed to a provincial post office is only retained for one month.

POSTSCRIPT. 1. (Fr. *Post-scriptum*, Ger. *Nachschrift*, Sp. *Post data.*)

A part added to a letter after the signature.

2. (Fr. *Addendum, envoi*, Ger. *Anhang*, Sp. *Post data.*)

An addition to a book after it has been finished.

POST TOWN. (Fr. *Ville ayant un bureau de poste*, Ger. *Postort*, Sp. *Administración de correos.*)

A town in which there is a post office.

POUND. (1. (Fr. *Demi-kilogramme, livre*, Ger. *Pfund*, Sp. *Libra.*)

A weight of twelve ounces troy (5,760 grains), or sixteen ounces avoirdupois (7,000 grains).

2. (Fr. *Livre sterling, vingt-cinq francs*, Ger. *Pfund Sterling*, Sp. *Libra esterlina.*)

The standard British monetary unit. It is a certain weight of gold, fixed by statute at 123.27447 grains troy. Forty pounds weight of standard gold bullion are cut into 1,869 pounds or sovereigns, or 1 lb. weight is cut into £46 14*s.* 6*d.*

POUNDAGE. 1. (Fr. *Commission*, Ger. *Pfundgeld*, Sp. *Comisión.*)

A charge of so much on each £, as that on money and postal orders.

2. (Fr. *Commission*, Ger. *Provision per Pfund*, Sp. *Comisión.*)

An allowance of so much in the £, such as is granted to postmasters for the sale of stamps.

PRECEPT. (Fr. *Mandat*, Ger. *Schriftlicher Befehl*, Sp. *Orden judicial.*)

Generally, a written warrant of a magistrate. As applied to accounts, an order from a responsible person, authorizing the payment of specific sums of money, or the doing of specific acts.

PRÉCIS. (Fr. *Précis*, Ger. *Auszug*, Sp. *Precis.*)

An abridged statement, abstract, or summary of a letter or other document. Its merits are—

(1) To contain all that is important in the correspondence and nothing that is unimportant.

(2) To present it in a connected and readable shape, expressed as distinctly as possible, and as briefly as compatible with completeness and distinctness.

PREFERENCE BONDS. (Fr. *Bons privilégiés*, Ger. *Prioritäten*, Sp. *Bonos de prioridad.*)

Bonds which are issued at a fixed rate of interest, and are payable before the profits of a business are divided amongst the ordinary shareholders.

PREFERENCE STOCK AND SHARES. (Fr. *Actions privilégiées, actions de priorité*, Ger. *Vorrechtsaktien*, Sp. *Acciones privilegiados, acciones de prioridad.*

Stock or shares entitling the holder to preferential rights as to dividend or capital over the ordinary or deferred shareholders.

The preferential rights as to dividend may be cumulative or non-cumulative. If the former, the holder is entitled to a certain rate per cent. out of the profits, and should the profits of any particular year prove insufficient to pay the agreed rate, the deficiency must be made up out of the profits of subsequent years. If the latter, the deficiency is not met in this manner. The shareholder must be content with as much of his interest as he can obtain in any one particular year.

The preferential rights as to capital, and any peculiar rights as to voting at meetings of the company, etc., must be provided for by the articles or memorandum of association.

In extreme cases, though very rarely indeed, pre-preference bonds and shares may be issued.

PREFERENTIAL PAYMENTS IN BANKRUPTCY ACTS. These are two Acts, passed in 1888 and 1897 respectively, setting forth the creditors who are entitled, in cases of bankruptcy or the winding-up of joint-stock companies, to have their claims paid in preference to the claims of the ordinary creditors of the bankrupt or the company.

By the Act of 1888, the following payments have priority over all other debts :—

(*a*) All parochial or other local rates due from the bankrupt or the company at the date of the receiving order or, as the case may be, the commencement of the winding-up, and having become due and payable within twelve months next before that time, and all assessed taxes, land tax, property or income tax assessed on the bankrupt or the company up to the fifth day of April next before the date of the receiving order, or, as the case may be, the commencement of the winding-up, and not exceeding in the whole one year's assessment.

(*b*) All wages or salary of any clerk or servant in respect of services rendered to the bankrupt or the company during four months before the date of the receiving order, or the commencement of the winding-up, not exceeding £50.

(*c*) All wages of any labourer or workman not exceeding £25, whether payable for time or piece work, in respect of services rendered to the bankrupt or the company during two months before the date of the receiving order or the commencement of the winding-up; provided that where any labourer in husbandry has entered into a contract for the payment of a portion of his wages in a lump sum at the end of the year of hiring, he shall have priority in respect of the whole of such sum, or a part thereof, as the court may decide to be due under the contract, proportionate to the time of service up to the date of the receiving order or the commencement of the winding-up.

These debts rank equally between themselves, and must be paid in full, unless the assets of the bankrupt or the company are insufficient to meet them, in which case they must abate proportionately. The only other reduction to which they are liable is the sum necessary for the costs of administration, etc.

Although the landlord enjoys the summary right of distress, with certain restrictions and limitations, he is neither a secured nor a preferential creditor, and if he distrains or has distrained upon the goods or effects of a bankrupt or a company in process of being wound-up within three months before the date of the receiving order or the winding-up order respectively, the above preferential debts form a first charge upon the goods or effects distrained upon, or their proceeds.

The Act does not affect the prior claim for funeral and testamentary expenses, when a person dies insolvent, nor can any moneys in the possession of a deceased or bankrupt officer of a Friendly Society or a Savings Bank be diverted from such society or bank for the payment of any obligations whatever.

The Act of 1897 was passed to meet the case of the whole of the assets of a company being swallowed up by debenture holders and secured creditors. Where debentures have been issued as a floating charge—but not otherwise—it is provided that—

(*a*) The preferential claims set out in the Act of 1888 shall, so far as the assets of the company available for payment of general creditors are insufficient to meet them, have priority over the claims of the holders of such debentures, and shall be paid accordingly out of any property comprised in or subject to such charge.

(*b*) In case a receiver is appointed on behalf of the holders of any such debentures, or in case possession is taken by or on behalf of such debenture holders of any property comprised in or subject to such charge, then and in either of such cases, if the company is not at the time in course of being wound up, the above-named preferential claims shall be paid forthwith out of any assets coming to the hands of the receiver, or other person taking possession in priority to any claim for principal or interest in respect of such debentures. The periods of time mentioned in the Act of 1888 are to be reckoned from the date of the appointment of the receiver or the taking of possession; and any payments made must be recouped as far as possible out of the assets of the company available for the payment of general creditors.

There are special regulations issued by the Board of Trade and the Inland Revenue authorities as to assessed taxes.

PREMIUM. (Fr. *Prime*, Ger. *Prämie*, Sp. *Prima*, *premio*.)

This word is used in four different senses—

(*a*) A bounty.

(*b*) A payment for a loan, in lieu of, or in addition to, interest.

(*c*) The annual payment made for insurance.

(*d*) The difference in value above the original price or par of stock, as opposed to discount.

PREPAID. (Fr. *Payé d'avance*, Ger. *frankiert, vorausbezahlt*, Sp. *Pagado por adelantado.*)

Payment before money is due, or payment in advance.

PREPAY. (Fr. *Payer d'avance*, Ger. *vorausbezahlen*, Sp. *Pagar por adelantado.*)

To pay money before it is due, or in advance.

PREPAYMENT. (Fr. *Payement d'avance, paiement d'avance*, Ger. *Vorausbezahlung*, Sp. *Pago por adelantado.*)

Payment before the stipulated time, or before money is due, or in advance.

PRESENT VALUE. 1. (Fr. *Valeur actuelle d'une traite*, Ger. *wirklicher Wert eines Wechsels*, Sp. *Valor actual de una letra.*)

The method of discounting a bill of exchange which consists in deducting the interest at a certain agreed rate per cent. from the face value of the bill.

2. (Fr. *Valeur actuelle d'un payement différé*, Ger. *wirklicher Wert einer aufgeschobener Zahlung*, Sp. *Valor actual de un pago diferido.*)

The method of finding the present value of a deferred payment when compound interest is calculated on the sum paid.

3. (Fr. *Valeur actuelle d'une annuité*, Ger. *wirklicher Wert einer Leibrente*, Sp. *Valor actual de una annualidad.*)

The method of finding the present value of a series of payments due at regular intervals, for example an annuity.

PRESENTMENT. (Fr. *Présentation*, Ger. *Präsentierung, Vorzeigung*, Sp. *Presentación, vista.*)

The formal act of bringing a bill of exchange to the notice of the drawee for procuring his acceptance, or, after acceptance, for payment.

Acceptance.—Where a bill is payable after sight, presentment for acceptance is necessary in order to fix the maturity of the instrument. Where a bill expressly stipulates that it shall be presented for acceptance, or where a bill is drawn payable elsewhere than at the residence or place of business of the drawee, it must be presented for acceptance before it can be presented for payment. In no other case is presentment for acceptance necessary in order to render liable any party to the bill.

The drawee, of course, is no party to the bill until he has accepted. The object of presentment is: (1) to obtain the signature of the drawee and thereby secure his liability as a party, and (2) to obtain an immediate right of recourse against antecedent parties in case the bill is dishonoured by non-acceptance.

Where the holder of a bill, drawn payable elsewhere than at the place of business or residence of the drawee, has not time, with the exercise of due diligence to present the bill for acceptance before presenting it for payment on the day that it falls due, the delay caused by presenting the bill for acceptance before presenting it for payment is excused, and does not discharge the drawer and indorsers.

When a bill payable after sight is negotiated, the holder must either present it for acceptance or negotiate it within a reasonable time; and if he fails to do so the drawer and all indorsers prior to that holder are discharged.

The following are the rules as to presentment for acceptance:—

(*a*) The presentment must be made by or on behalf of the holder to the drawee or to some person authorized to accept or refuse acceptance on his behalf at a reasonable hour on a business day, and before the bill is overdue.

(*b*) Where a bill is addressed to two or more drawees, who are not partners, presentment must be made to them all, unless one has authority to accept for all, then presentment may be made to that one only.

(*c*) Where the drawee is dead, presentment may be made to his personal representative.

(*d*) Where the drawee is bankrupt, presentment may be made to him or to his trustee.

(*e*) Where authorized by agreement or usage, a presentment through the post office is sufficient.

Presentment for acceptance is excused in the following cases:—

(*a*) Where the drawee is dead or bankrupt, or is a fictitious person or a person not having capacity to contract by bill.

(*b*) Where, after the exercise of reasonable diligence, such presentment cannot be effected.

(*c*) Where although the presentment has been irregular, acceptance has been refused on some other ground.

The fact that the holder has reason to

believe that the bill, on presentment, will be dishonoured does not excuse presentment.

When a bill is duly presented for acceptance, and is not accepted within the customary time, the person presenting it must treat it as dishonoured by non-acceptance. If he fails to do so, the holder will lose his right of recourse against the drawer and the indorsers. The customary time is twenty-four hours. The bill must be left with the drawee, if required, and after the expiration of the twenty-four hours it must be re-delivered, accepted or unaccepted.

A holder who has complied with all the rules for presentment for acceptance, and has failed to obtain an acceptance, must treat the bill as dishonoured, and comply with the requirements of the law which are necessary upon dishonour. (See *Dishonour.*)

The holder of a bill may refuse to take a qualified acceptance, and if he does not obtain an unqualified acceptance may treat the bill as dishonoured by non-acceptance. Where a qualified acceptance is taken, and the drawer or an indorser has not expressly or impliedly authorized the holder to take a qualified acceptance, or does not subsequently assent thereto, such drawer or indorser is discharged from his liability on the bill. But this does not apply where due notice of the partial acceptance has been given. If a foreign bill has been accepted as to part, it must be protested as to the balance. When the drawer or the indorser of a bill receives notice of a qualified acceptance, and does not within a reasonable time express his dissent to the holder, he will be deemed to have assented thereto.

Payment.—If upon presentment to the drawee acceptance of the bill is refused, or if presentment is impossible or otherwise excused, there is no need for the holder to present it for payment. In other cases presentment for payment is necessary, and if the holder fails to make a due presentment the drawer and the indorsers are discharged.

Presentment for payment must be made in accordance with the following rules :—

(*a*) Where the bill is not payable on demand, presentment must be made on the day it falls due.

(*b*) Where the bill is payable on demand, presentment must be made within a reasonable time after its issue in order to render the drawer liable, and within a reasonable time after its indorsement, to render the indorser liable.

(*c*) Presentment must be made by the holder or by his agent at a reasonable hour on a business day, at the proper place, either to the person designated by the bill as payer, or to his agent.

A bill is presented at the proper place :

(*a*) Where a place of payment is specified in the bill and the bill is there presented.

(*b*) Where no place of payment is specified, but the address of the drawee or acceptor is given in the bill, and the bill is there presented.

(*c*) Where no place of payment is specified and no address given, and the bill is presented at the drawee's or the acceptor's place of business, if known, and if not, at his ordinary residence, if known.

(*d*) In any other case if presented to the drawee or acceptor wherever he can be found, or if presented at his last known place of business or residence.

Where a bill is presented at the proper place, and after the exercise of reasonable diligence no person authorized to pay or to refuse payment can be found there, no further presentment to the drawee or the acceptor is required.

Where a bill is drawn upon, or accepted by two or more persons who are not partners, and no place of payment is specified, presentment must be made to them all.

Where the drawee or the acceptor of a bill is dead, and no place of payment is specified, presentment must be made to a personal representative, if there is one, with reasonable diligence.

As in the case of presentment for acceptance, presentment for payment may be made through the post office, if authorized by agreement or usage.

Delay in presentment for payment is excused when the delay is caused by circumstances beyond the control of the holder, and not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate presentment must be made with reasonable diligence.

Presentment for payment is dispensed with in the following cases :—

(*a*) Where, after the exercise of reasonable diligence, presentment cannot be duly effected. The fact that the holder has reason to believe that the bill will, on presentment, be dishonoured, does not dispense with the necessity for presentment.

(*b*) Where the drawee is a fictitious person.

(c) As regards the drawer where the drawee or the acceptor is not bound, as between himself and the drawer, to accept or pay the bill, and the drawer has no reason to believe that the bill would be paid if presented.

(d) As regards an indorser, where the bill was accepted or made for the accommodation of that indorser, and he has no reason to expect that the bill would be paid if presented.

(e) By waiver of presentment, express or implied.

A bill is dishonoured by non-payment when it is duly presented for payment and payment is refused or cannot be obtained, or when presentment is excused and the bill is overdue and unpaid. When a bill is dishonoured by non-payment, an immediate right of recourse against the drawer and the indorsers accrues to the holder. The proper steps upon dishonour must then be taken. (See *Dishonour.*)

If any party to a bill is discharged from his liability thereon by reason of the holder's failure to comply with the necessary duties which devolve upon him as to presentment, such party is also discharged from all liability on the debt or consideration for which the bill was given.

PRESSURE ON THE MONEY MARKET. (Fr. *Scarcité de l'argent*, Ger. *Geldnot*, Sp. *Presión en el mercado financiero.*)

This signifies that there is a difficulty in obtaining money, either in discounting of bills, or raising loans upon Government or other good securities, caused by a high bank rate, an unfavourable rate of exchange, or other affecting influences.

PRICE CURRENT. (Fr. *Prix courant, cours*, Ger. *Preiskurant, Preisliste*, Sp. *Precio corriente.*)

A list or pamphlet, or an enumeration of the various articles of merchandise, with their prices, the duties payable thereon, if any, drawbacks, etc. Lists of this description are published periodically, weekly or oftener, in most of the great commercial cities and towns.

PRICKING NOTE. (Fr. *Permis de douane*, Ger. *Lieferungsschein*, Sp. *Permiso de la aduana.*)

This is a shipping order from the Custom House addressed to the chief officer of a ship, requesting him to receive on board certain bonded or drawback goods required for exportation or ship's stores.

PRIMAGE. (Fr. *Prime de chargement, chapeau*, Ger. *Primgeld, Kaplaken*, Sp. *Prima, capa.*)

Originally this was an allowance made by the shipper to the captain of a vessel for the use of the tackle and gear used in loading or unloading cargo; it is now simply an addition to a quoted rate of freight. The amount varies according to the usages of different ports.

PRIMAGE AND AVERAGE ACCUSTOMED. (Fr. *Chapeau et avarie comme d'habitude*, Ger. *Primgeld und Havarie nach Seegebrauch*, Sp. *Capa y averia segun costumbre.*)

This phrase is frequently inserted in a bill of lading, the word "average" meaning a *pro ratâ* charge levied by the ship, on the owners of its cargo, to cover the expenses of lights, pilotage, wharfage, etc. The charge for average is now generally included in the charge for primage.

PRIME COST. (Fr. *Prix d'achat*, Ger. *Einkaufspreis*, Sp. *Coste prima.*)

The original, first, or direct cost of an article before any expenses or profits are added. It is distinguished from the cost of production, which includes all the items of expenditure incurred in manufacture, direct or indirect.

PRINCIPAL. 1. (Fr. *Chef, principal*, Ger. *Prinzipal*, Sp. *Jefe, principal.*)

The head of or chief person in a firm. The person who employs an agent.

2. (Fr. *Principal, capital*, Ger. *Kapital*, Sp. *Capital.*)

Money upon which interest is calculated or paid.

PRIVATE ARRANGEMENT. (Fr. *Acte écrit sous seing privé*, Ger. *gütlicher Vergleich*, Sp. *Escritura privada.*)

An agreement made between a debtor who is insolvent and his creditors to avoid the expense and publicity of proceedings in bankruptcy. Such an arrangement must be made by deed, and the deed must be registered. (See *Deed of Arrangement.*)

PRIVATE BANK. (See *Bank, Private.*)

PRIVATE COMPANY. (Fr. *Association*, Ger. *Privatgesellschaft*, Sp. *Asociacion.*)

A company registered under the Companies Act, 1862, which is composed of a small number of members, the capital being privately subscribed by the members themselves, without any appeal to the public.

In his *Company Law* (4th ed., p. 300), Mr. Palmer, the well-known authority, says: "No satisfactory—that is, exhaustive—definition of a private company can be given; the term is too elastic; but some leading characteristics may be indicated. One is that a private

company is started and worked without appealing to the public for capital. A company which appeals to the public by prospectus, circular or otherwise, is not classed as a private company. On the other hand, the fact that a company does not appeal to the public is not infallible evidence or conclusive that it is not a public company, for some public companies are started without any such appeal, being privately subscribed. Another characteristic which commonly distinguishes the private company is that it is composed of a very limited number of members, perhaps seven, eight, or nine. There are public companies, no doubt, of which this is also true, but the limited number of members in the case of the public company is attributable in most cases not to design but to disaster—to their not having been successfully floated. And not only are the members few in the case of a private company, but the great bulk of the shares are usually in the hands of only some of these few members, e.g., in the hands of one, two, three, or four members. A further characteristic is that the right to transfer shares is, in the case of most private companies, closely fettered, and that the continuing members are commonly given a preferential right to purchase the shares of an outgoing member. Special provisions are also adopted in regard to the directorate. The nature of a private company may, in fact, be best summed up by saying that it is a sort of close corporation into which there is practically no admission for outsiders, and the shares of which are not obtainable in the market—a statutory partnership carried on as a limited liability company under the Act of 1862, and in this light it is regarded both by the public and by the members. The private character of such a company may at any time be terminated by the public being let in and allowed to take shares either by allotment or transfer. When this is the case the company is no longer in the category of private companies."

Many well-known and successful trading firms have been recently converted into private companies. According to a recent return it appears that about one-third of the whole number of companies registered are private companies.

Some doubt was thrown upon the constitution of private companies a few years ago, owing to the establishment of what were known as "one man" companies, that is, private companies in which practically the whole of the shares and the entire management of the affairs are in the hands of one individual. Such doubt was set at rest by the decision of the House of Lords in the case of *Salomon* v. *Salomon and Company, Limited* (1897), A.C. 22. The head-note of the case is as follows:—"It is not contrary to the true intent and meaning of the Companies Act, 1862, for a trader, in order to limit his liability and obtain the preference of a debenture holder over other creditors, to sell his business to a limited company consisting only of himself and six members of his own family, the business being then solvent, all the terms of sale being known to and approved by the shareholders, and all the requirements of the Act being complied with.

"A trader sold a solvent business to a limited company with a nominal capital of 40,000 shares of £1 each, the company consisting only of the vendor, his wife, a daughter, and four sons, who subscribed for one share each, all the terms of sale being known to and approved by the shareholders. In part payment of the purchase-money, debentures forming a floating security were issued to the vendor. Twenty thousand shares were also issued to him and were paid for out of the purchase money. These shares gave the vendor the power of outvoting the six other shareholders. No shares other than these 20,007 were ever issued. All the requirements of the Companies Act, 1862, were complied with. The vendor was appointed managing director; bad times came, the company was wound up, and after satisfying the debentures, there was not enough to pay the ordinary creditors.

"Held, that the proceedings were not contrary to the true intent and meaning of the Companies Act, 1862; that the company was duly formed and registered and was not the mere 'alias' or agent of or trustee for the vendor; that he was not liable to indemnify the company against the creditors' claims; that there was no fraud upon creditors or shareholders; and that the company (or the liquidator suing in the name of the company) was not entitled to rescission of the contract for purchase."

So long, therefore, as all the legal requirements of the Companies Acts are fulfilled, there is nothing to prevent any private trader limiting his liabilities in

any manner he wishes.

Among the advantages to be derived from the conversion of a private trading concern or a partnership into a private company, are the following :—

(1) There is the great protection of limited liability. In a partnership, each partner is liable for the debts of the firm to his last penny. When conversion has taken place the amount is limited to the capital of the concern.

(2) There is the advantage of continuity by incorporation, and the avoidance of all the difficulties and dislocation attending a partnership when one of the partners dies or becomes bankrupt.

(3) A company has facilities for borrowing, by means of debentures, which a partnership never enjoys.

(4) Arrangements between the members of a company and the company itself are much less complicated than in the case of a partnership. Members of a partnership are one for many purposes; members of a company are totally distinct from the company.

Private companies are formed and constituted like any other company, and are under the same statutory obligations. In two points, however, they differ from public companies by the Companies Act, 1900 :—

(1) Since there is no offer of shares to the public they cannot pay any underwriting commission in respect of their shares;

(2) They may commence business immediately after incorporation.

The articles of association of a private company will be drawn up under special circumstances, and with a view to the peculiar nature of the company and its members. So many matters will have to be taken into consideration that no general rules can be laid down. The main provisions, other than those dealing with the general business of the concern, will have reference to the transfer of shares (since it is often the desire of the members to restrict the membership to a select class) and to the appointment and retirement of the directors.

PRIVATE SECRETARIES. (Fr. *Secrétaires particuliers*, Ger. *Privatsekretär*, Sp. *Secretarios.*)

Those whose business it is to attend to the private correspondence and to assist their employers in their private capacities.

PRO. (Fr. *Pour*, Ger. *per* or *pro*, Sp. *Por.*)

The word used in correspondence or in other documents when a person signs not on his own account, but on behalf of his principal or employer. Sometimes instead of "pro" the words "per pro." are used, an abbreviation of the Latin *per procurationem*. The use of either form exonerates the person signing from personal responsibility. The principal is responsible if the person signing is acting within the scope of his authority.

PROBATE. 1. (Fr. *Vérification d'un testament*, Ger. *Prüfung und Bestätigung (eines Testaments)*, Sp. *Verificación testamentaria.*)

The proof of a will before a proper court.

2. (Fr. *Grosse d'un testament*, Ger. *Bestätigungsschein*, Sp. *Copia del testamento.*)

The official copy of a will with the seal or certificate of the Probate Court, showing that it has been duly proved.

Until the passing of the Land Transfer Act, 1897, probate was only granted, under ordinary circumstances, of wills making a disposition of personal property situated in this country. The only person who can obtain probate of a will is the executor named therein.

Probate is obtained either in common or solemn form. The former is used for ordinary and undisputed cases, the executor presenting the will at the proper registry office, together with an affidavit that the same is the true and last will of the deceased. The latter is the method adopted when there are likely to be difficulties and disputes. All parties interested are cited to appear in court, and the will is produced, witnesses examined, and the whole facts as to the making of the will and its execution inquired into. If the court is satisfied as to the validity of the will, probate is granted. An executor cannot be called upon to prove a will a second time in solemn form. For the purposes of the Inland Revenue, a second affidavit by the executor is required, setting out the nature and value of the estate of the deceased for the purposes of the assessment of estate duty.

The jurisdiction of granting probate of wills is exercised by the Probate Court. The principal registry is at Somerset House, but the following district registries have been established since 1858, for granting probate of the wills of persons residing at the time of death in the respective districts :—

Registry.	*District.*
Bangor	Carnarvon and Anglesey.
Birmingham ...	Warwickshire.
Blandford	Dorsetshire.
Bodmin	Cornwall.
Bristol	Bristol and Bath.
Bury St. Edmunds	Suffolk, West.
Canterbury	Kent, East, and Canterbury.
Carlisle	Cumberland and Westmoreland.
Carmarthen	Carmarthen, Cardigan, Pembroke, with the Deanies of East and West Gower (including the town of Swansea).
Chester	Chester.
Chichester	Sussex, West.
Derby	Derbyshire.
Durham	Durham.
Exeter	Devonshire.
Gloucester	Gloucestershire (except Bristol).
Hereford	Herefordshire, Radnor, and Brecknock.
Ipswich	Suffolk, East, and Essex, North.
Lancaster	Lancashire, except Salford, West Derby Hundreds and Manchester.
Leicester	Leicester & Rutland.
Lewes	Sussex, East.
Lichfield	Staffordshire.
Lincoln	Lincolnshire.
Liverpool	West Derby Hundred.
Llandaff	Glamorgan and Monmouthshire.
Manchester	Manchester and Salford Hundred.
Newcastle-on-Tyne	Northumberland.
Northampton ...	Northampton, Sth., and Bedford.
Norwich	Norfolk.
Nottingham	Nottinghamshire.
Oxford	Oxford, Berkshire, and Buckingham.
Peterborough ...	Northampton, Nth., Huntingdon, and Cambridge.
St. Asaph	Flint, Denbigh, and Merioneth.
Salisbury	Wiltshire.
Shrewsbury	Shropshire and Montgomery.
Taunton	Somerset, West.
Wakefield	Yorkshire, West Riding.
Wells	Somerset, East, except Bath C.C. District.
Winchester	Hampshire.
Worcester	Worcestershire.
York	Yorkshire, N. and E. Riding (including York).

A district registrar has full power to grant probate if he is satisfied that the deceased had his permanent place of abode in the particular district over which his jurisdiction extends. The wills of those persons who reside at the time of death in London, or in a district having no registry, must be proved at Somerset House.

As copies of all wills are sent to Somerset House, though the originals are kept in the district registry, it is possible for any person to read a copy of any will by going to Somerset House, on payment of a fee of one shilling. Copies may also be obtained, the cost of which will depend upon the length.

As to the duties to be paid on taking out probate of a will, or letters of administration, see *Estate Duty*.

PROCEEDS. (Fr. *Produit*, Ger. *Ertrag*, Sp. *Producto*.)

The actual sum of money realized by a sale or other transaction after all the expenses connected with the same have been deducted.

PROCURATION. (Fr. *Procuration*, Ger. *Prokura*, Sp. *Poder, procuración*.)

The permission granted by one person to another, allowing the latter to sign or act for the other. The custom is to sign "per pro." or "p. p." A procuration fee is a commission paid for effecting a loan.

PRODUCER. (Fr. *Producteur*, Ger. *Fabrikant, Erzeuger*, Sp. *Productor*.)

A person who grows commercial commodities, as an agriculturist, or one who makes them, as a manufacturer. The term is used in contrast with middlemen and consumers.

PRODUCTIONS, COMMERCIAL. (See *Commercial Products*.)

PROFIT. (Fr. *Profit*, Ger. *Gewinn, Nutzen*, Sp. *Beneficios*.)

The gain resulting from the employment of capital. It really consists of the produce or its value which remains to those who employ their capital in an industrial undertaking after all the necessary payments have been deducted, and all the capital wasted and used in the undertaking has been replaced. In joint-stock companies profits alone are available for dividends. The

directors cannot pay dividends out of capital.

"Profits must not be confounded with the produce of industry primarily received by the capitalist. They really consist of the produce or its value remaining to those who employ their capital in an industrial undertaking after all their necessary payments have been deducted, and after the capital wasted and used in the undertaking has been replaced. If the produce derived from an undertaking, after defraying the necessary outlay, be insufficient to replace the capital exhausted, a loss has been incurred. If the capital is merely sufficient to replace the capital exhausted, there is no surplus—there is no loss, but there is no annual profit, and the greater the surplus is the greater the profit." (McCulloch.)

"Capital is consumed in producing; capital is wealth, and there must be restoration of such wealth as is not destroyed by enjoyment, but in creating other wealth. If that new wealth were not forthcoming there could be no motive to apply any wealth to capital. Profit, which is reward, cannot begin till the replacement of the things consumed has been completed."

(Bonamy Price.)

In simple cases there is no difficulty in determining what is profit. For example, if an article is manufactured, there are certain expenses connected with its production. These may be divided into four parts:—

(1) Raw material and labour.

(2) Interest on the capital employed.

(3) Insurance against risks and accidents.

(4) Reward for management, superintendence, and skill on the part of the capitalist.

Whatever remains over after these charges have been deducted from the price obtained for the finished article is profit.

But in the case of large businesses and joint-stock companies, there are other methods to be employed in ascertaining what are profits, and these are important, since it is the ordinary rule that dividends cannot be paid except out of the profits arising from the business of the company. The following is the method advocated by Mr. Justice Buckley, in his book on the Companies Acts:—

"The profits of an undertaking are not such sum as may remain after the payment of every debt, but are the excess of revenue receipts over expenses properly chargeable to revenue account. As to what expenses are properly chargeable to capital and what to revenue it is necessarily impossible to lay down any general rule. In many cases it may be for the shareholders to determine this for themselves, provided the determination be honest and within legal limits.

"Where expenses, properly chargeable to capital, have been paid out of revenue, the company are justified in recouping the revenue account at a subsequent time out of capital.

"The proper and legitimate way of arriving at a statement of profits is, to take the facts as they actually stand, and, after forming an estimate of the assets as they actually exist, to draw a balance so as to ascertain the result in the shape of profit or loss. If this be done fairly and honestly, without any fraudulent intention or purpose of deceiving any one, it does not render the dividend fraudulent that there was not cash in hand to pay it, or that the company were even obliged to borrow money for that purpose. And the fact that an estimated value was put upon assets which were then in jeopardy and were subsequently lost, does not render the balance sheet delusive and fraudulent.

"But if a dividend be declared without proper investigation of the financial position of the company, and no profit and loss account be prepared, but only an account of receipts and payments, making no allowance for risks, the burden is on the directors to show that the dividend was properly declared, and in default a director will be ordered to refund the dividend he has received. If directors pay dividends out of capital, they may be liable for the whole amount so misapplied.

"Capital may be lost in either one of two ways, which may be distinguished as loss on capital account and loss on revenue account. If a ship-owning company's capital be represented by ten ships with which it trades, and one is totally lost and is uninsured, such a loss would be what is here called a loss on capital account. But if the same company begins the year with the ten ships, value say £100,000, and ends the year with the same ten ships, and the result of the trading, after allowing for depreciation of the ships, is a loss of £1,000, this would be what is here called a loss on revenue account.

"Where a loss on revenue account has been sustained, there is of course no profit until that loss has been made good either by set off of previous undivided profits still in hand, or by profits subsequently earned. But until *Lee* v. *Neuchatel Asphalte Co.* (41 Ch. Div. 1), the question was open whether a company under the Companies Acts, which has lost part of its capital by loss on capital account, can continue to pay dividends until the lost capital has been made good.

"*Lee* v. *Neuchatel Asphalte Co.* has now shown the true principle to be that capital account and revenue account are distinct accounts, and that for the purpose of determining profits you must disregard accretions to or diminutions of capital. Suppose I buy £100 consols at 97, and at the expiration of a year they have fallen to 94, is my income £3 or nothing? If nothing, then if at the expiration of the year they had risen to par, my income would by parity of reasoning have been £6, not £3. Is the result affected by the question whether at the end of the year I am or am not about to sell my consols? Suppose a tramway company lays its line when materials and labour are both dear, both subsequently fall, and the same line could be laid for half the money, and as an asset (independent of deterioration from wear) would cost for construction only half what it did cost. Is the company to make this good to capital before it pays further dividend? If so, then if the cost of materials and labour had risen after the line was laid, might not the company have divided as dividend this accretion to capital? Upon such a principle dividends would vary enormously, and sometimes inversely to the actual profit of the concern.

"If revenue accounts be treated as a distinct account, these difficulties disappear, and subject to the difficulty, which must be encountered, of discriminating between revenue charges and capital charges, a safe and intelligible principle is arrived at. The creditors of the company are entitled to have the capital account fairly and properly kept; but they are not entitled to have losses of capital or capital account made good out of revenue. It is no doubt true, that before arriving at revenue at all, there are payments which must be made good to capital, on account of capital wasted or lost in earning the revenue. For instance, in the common case of leaseholds, which are a wasting property, the whole of the rental will not properly be income; in the case of colliery properties, the difference between the price at which the coal is sold, and the cost of working and raising it, will not all be income, for there must also be a deduction made in favour of capital representing the diminished value of the mine by reason of its containing so many less tons of coal; in the case of a tramway company you will not have arrived at net profit before you have set apart a sum to make good deterioration. But when all proper allowances have thus been made in favour of capital, the balance is revenue applicable for payment of dividend."

In *Lee* v. *Neuchatel Asphalte Co.*, it was decided that where the shares of a limited company have, under a duly registered contract, been allotted as fully paid-up shares in consideration of assets handed over to the company, it is under no obligation to keep the value of its assets up to the nominal amount of its capital, and the payment of a dividend is not to be considered a return of capital, merely on the ground that no provision has been made for keeping the assets up to the nominal amount of capital. There is nothing in the Companies Acts to prohibit a company formed to work a wasting property, such as a mine or a patent, from distributing, as dividend, the excess of the proceeds of working above the expenses of working, nor to impose on the company any obligation to set apart a sinking fund to meet the depreciation in the value of the wasting property. If the expenses of working exceed the receipts, the accounts must not be made out so as to show an apparent profit, and so enable the company to pay a dividend out of capital, but the division of the profits without providing a sinking fund is not such a payment of dividends out of capital as is forbidden by law.

Another method of ascertaining profit was propounded in the case of *Verner* v. *General and Commercial Investment Trust* (1894), 2 Ch. 239. The defendants were a limited company, whose objects were to invest their capital in stocks, funds, shares and securities of various descriptions, and the receipts of the company from the income of these investments were made applicable to paying a dividend. The market price of some of the investments of the company fell, and others of them proved

worthless, so that the value of the company's assets was materially diminished; but the income received from the investments for the year considerably exceeded the expenses of the year. One of the trustees of the company brought an action on behalf of himself and all the stockholders in the company against the company and the other trustees to restrain the company from declaring a dividend, on the ground that until the loss of capital was made up a payment of dividend would be a payment out of capital. It was held, by the Court of Appeal, that it was within the power of the company to declare a dividend, for that there is no law to prevent a company from sinking its capital in the purchase of a property producing income and dividing that income without making provision for keeping up the value of the capital; and that fixed capital may be sunk and lost, and yet the excess of current receipts over current expenses may be applied in payment of a dividend, though where the income of a company arises from the turning over of circulating capital no dividend can be paid unless the circulating capital is kept up to its original value, as otherwise there would be a payment of dividend out of capital.

In that case Lord Lindley, in the course of his judgment, said: "It has been already said that dividends presuppose profits of some sort, and this is unquestionably true. But the word profits is by no means free from ambiguity. The law is much more accurately expressed by saying that dividends cannot be paid out of capital, than by saying that they can only be paid out of profits. The last expression leads to the inference that the capital must always be kept up and be represented by assets which, if sold, would produce it; and this is more than is required by law. Perhaps the shortest way of expressing the distinction which I am endeavouring to explain is to say that fixed capital may be sunk and lost, and yet that the excess of current receipts over current payments may be divided, but that floating or circulating capital must be kept up, as otherwise it will enter into and form part of such excess, in which case to divide such excess without deducting the capital which forms part of it will be contrary to law."

PROFIT AND LOSS ACCOUNT. (See *Account, Profit and Loss.*)

PRO FORMA. (Fr. *Pour la forme, simulé*, Ger. *Proforma, fingiert*, Sp. *Forma simulada.*)

As a matter of form. *Pro forma* documents are drawn up after a prescribed model to satisfy some legal requirement or some trading custom.

PRO HAC VICE. For this occasion.

PROHIBITED GOODS. (Fr. *Marchandises interdites*, Ger. *verbotene Waren*, Sp. *Géneros prohibidos.*)

Commodities which are by law forbidden to be exported from or imported into a country.

PROHIBITIONS AND RESTRICTIONS. (Fr. *Prohibitions et restrictions*, Ger *Verbote und Beschränkungen*, Sp. *Prohiviciones y restrinjiones.*)

A term of the Custom House for those goods which are prohibited from being imported or shipped, and those articles which are prohibited except under certain conditions.

PROMISSORY NOTE. (Fr. *Promesse*, Ger. *Handschein*, Sp. *Pagaré.*)

An unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to, or to the order of, a specified person or to bearer.

It would seem that a promissory note payable to bearer on demand is void in England, if for a sum less than £5. The stamp is an *ad valorem* one, the duty payable being the same as for a bill of exchange.

A promissory note is usually drawn thus:—

"*London, January* 1, 1903.

£75.

Three months after date I promise to pay to Mr. John Roberts or order the sum of seventy-five pounds, for value received.

"*James Smith.*"

The note may be drawn for any time, or on demand, and may be made payable to bearer, instead of to order, as a bill of exchange or a cheque. It is inchoate and incomplete until delivery has been made to the payee or to the bearer.

An instrument which is invalid as a promissory note may be perfectly good as an agreement.

A promissory note may be made by two or more makers, and they may be liable thereon jointly, or jointly and severally according to its tenor.

A promissory note is transferable like a bill of exchange, and may be indorsed in the same manner. It is a negotiable

instrument unless it is made payable to a certain person only. The maker is the person primarily liable upon it, and in default each of the indorsers can be sued. But no indorser is liable until the note has been presented to the maker for payment, and payment has been refused.

The maker of a promissory note is precluded from denying to a holder in due course the existence of the payee and his then capacity to indorse the same.

Presentment for acceptance, acceptance, acceptance *supra* protest and bills in a set, are matters inapplicable to notes. A foreign note need not be protested on dishonour.

PROMOTER. (Fr. *Promoteur, lanceur*, Ger. *Gründer*, Sp. *Promotor.*)

The promoter of a company is the person, or one of the persons, who does the necessary preliminary work to form or float it. "The typical promoter starts the scheme of forming the company, negotiates with the vendors (if any), gets together the board of directors, retains brokers, bankers, and solicitors for the company, has the memorandum and articles of association prepared, provides the registration fees, drafts the prospectus, pays for the expense of issuing it, etc.; in a word, undertakes to form a company with reference to a given project, and to set it going, and to take the necessary steps to accomplish that purpose."

Whether a person is or is not a promoter of a company is a question of fact, depending upon the circumstances of each case. Very little work done in connection with the formation of a company may render a person liable constructively. But solicitors and others who act merely as agents of promoters in their professional capacities are not liable as promoters.

A promoter stands in a fiduciary relationship towards the company which he promotes. As a necessary consequence it follows:—

(1) He must not make, either directly or indirectly, any profit at the expense of the company which is being promoted, unless the company itself has full knowledge of the facts and gives its consent. If any secret profit is made in violation of this rule, the company may, on discovery, compel the promoter to account for and surrender the same.

(2) He must, when once he has begun to act in the promotion of the company, give to the company the benefit of any negotiations or contracts into which he enters in respect of the company. For example, if he contracts to purchase property, he cannot rightfully sell to the company at a higher price than he gave. If he attempts to do so the company may, on discovering its rights, rescind the contract or compel the promoter to surrender his profits. In one case where the promoters had agreed with contractors for the extension of works at a fixed price, it was part of the agreement that the contractors should bear the expenses of obtaining a special Act for the incorporation of the company. On the following day, by a second agreement which was not communicated to the directors of the company, two of the promoters agreed to relieve the contractors of the expense of procuring the special Act for £17,000. It was held that the company were entitled to the benefit of the second agreement.

(3) He must not make an unfair or unreasonable use of his position, and must take care to avoid anything which has the appearance of undue influence or fraud.

(4) He should take care to provide the company with an independent executive, although the promoters themselves, if there are several, or their nominees, may constitute the board of directors, if all material facts are disclosed.

A company is not generally liable for the acts and engagements of its promoters before its incorporation. But if the company has acquired property or rights by means of contracts entered into by its promoters, it will be equitably bound by the same. It is the general practice, when preliminary agreements are made, for the vendors of any property to contract with a trustee for the company, and to specify the terms on which the purchase is made. As soon as the company is registered a new agreement is indorsed on the old one, the former incorporating the provisions of the latter by reference.

The remuneration of a promoter varies considerably. Everything will depend upon the amount of work which he has done in connection with the company. The remuneration must be stated in the prospectus.

A promoter may render himself liable for losses which happen to shareholders and others, whenever he has taken part in the issue of a prospectus, and such prospectus either omits to give

the information required by the Companies Act, 1900, or contains untrue statements.

PROMPT. (Fr. *Terme*, Ger. *Ziel*, Sp. *Tiempo de pago.*)

An agreement entered into between a shipper or importer and a merchant, by which the former engages to sell specified goods at a fixed price, the goods to be taken and paid for at a named date. The time for payment varies in different trades, and the written agreement is accordingly called a three, four or six months' prompt as the case may be. If the goods are to be delivered before the date agreed upon, payment must be made for them at the time of delivery.

PROOF IN BANKRUPTCY. (Fr. *Preuve de banqueroute*, Ger. *beglaubigte Forderung*, Sp. *Prueba de Bancarota.*)

Evidence or testimony of the existence of a debt or liability, which every creditor must give in bankruptcy or in the winding up of joint-stock companies.

The following are the rules laid down by the Bankruptcy Act, 1883, in respect of the proof of debts.

1. *In Ordinary Cases.*—(1) Every creditor shall prove his debt as soon as may be after the making of the receiving order.

(2) A debt may be proved by delivering or sending through the post in a prepaid letter to the Official Receiver, or, if a trustee has been appointed to the trustee, an affidavit verifying the debt. The form prescribed by the Act must be used.

(3) The affidavit may be made by the creditor himself, or by some person authorized by or on behalf of the creditor. If made by a person so authorized, it must state his authority and his means of knowledge.

(4) The affidavit must contain or refer to a statement of account showing the particulars of the debt, and must specify the vouchers, if any, by which the same can be substantiated. The Official Receiver, or trustee, may at any time call for the production of the vouchers. If the proof is in respect of a bill of exchange, promissory note, or other negotiable instrument or security on which the debtor is liable, such bill of exchange, note, instrument, or security must, subject to any special order of the court made to the contrary, be produced before the proof can be admitted, either for voting or for dividend.

(5) The affidavit must state whether the creditor is or is not a secured creditor.

(6) The creditor must bear the cost of proving his debt, unless the court otherwise specially orders.

(7) Every creditor who has lodged a proof is entitled to see and examine the proofs of other creditors before the first meeting, and at all reasonable times. If a proof is intended to be used at the first meeting, it must be lodged with the Official Receiver not later than the time specified in the notice of meeting, which time must not be earlier than noon the day but one before, nor later than noon the day before the meeting.

(8) A creditor proving his debt must deduct therefrom all trade discounts, but he cannot be compelled to deduct any discount, not exceeding five per cent. on the net amount of the claim, which he may have agreed to allow for payment in cash.

2. *Proof by Secured Creditors.*—(9) If a secured creditor realizes his security he may prove for the balance due to him, after deducting the net amount realized. The proof must be limited to the principal and interest of the debt due at the date of the receiving order, after deducting the amount realized from the security. The proceeds cannot be applied to the payment of interest which has accrued subsequent to the date of the receiving order.

(10) If a secured creditor surrenders his security to the Official Receiver or the trustee for the general benefit of the creditors, he may prove for his whole debt.

(11) If a secured creditor does not either realize or surrender his security, he must, before ranking for dividend, state in his proof the particulars of his security, the date when it was given, and the value at which he assesses it, and shall be entitled to receive a dividend only in respect of the balance due to him after deducting the value so assessed.

(12) (*a*) Where a security is so valued the trustee may at any time redeem it on payment to the creditor of the assessed value.

(*b*) If the trustee is dissatisfied with the value at which a security is assessed, he may require that the property comprised in any security so valued be offered for sale at such times and on such terms and conditions as may be agreed on between the creditor and the trustee, or as, in default of such agreement, the court may direct. If the sale be by public auction the creditor, or the trustee on behalf of the estate, may bid or purchase,

(c) Provided that the creditor may at any time, by notice in writing, require the trustee to elect whether he will or will not exercise his power of redeeming the security or requiring it to be realized, and if the trustee does not, within six months after receiving the notice, signify in writing to the creditor his election to exercise the power, he shall not be entitled to exercise it; and the equity of redemption, or any other interest in the property comprised in the security which is vested in the trustee shall vest in the creditor, and the amount of his debt shall be reduced by the amount at which the security has been valued.

(13) Where a creditor has so valued his security, he may at any time amend the valuation and proof on showing to the satisfaction of the trustee, or the court, that the valuation and proof were made *bonâ fide* on a mistaken estimate, or that the security has diminished or increased in value since its previous valuation; but every such amendment shall be made at the cost of the creditor, and upon such terms as the court shall order, unless the trustee shall allow the amendment without application to the court. (The court means the registrar.)

(14) Where a valuation has been amended in accordance with the foregoing rule, the creditor shall forthwith repay any surplus dividend which he may have received in excess of that to which he would have been entitled on the amended valuation, or, as the case may be, shall be entitled to be paid out of any money for the time being available for dividend any dividend or share of dividend which he may have failed to receive by reason of the inaccuracy of the original valuation, before that money is made applicable to the payment of any future dividend, but he shall not be entitled to disturb the distribution of any dividend declared before the date of the amendment.

(15) If a creditor after having valued his security subsequently realizes it, or if it is realized under the provisions of rule 12, the net amount realized shall be substituted for the amount of any valuation previously made by the creditor, and shall be treated in all respects as an amended valuation made by the creditor.

(16) If a secured creditor does not comply with the foregoing rules, he shall be excluded from all share in any dividend.

(17) Subject to the provisions of rule 12, a creditor shall in no case receive more than 20*s.* in the £, and interest as provided by the Act.

3. *Proof in Respect of Distinct Contracts.*—(18) If a debtor was at the date of the receiving order liable in respect of distinct contracts as a member of two or more distinct firms, or as a sole contractor, and also as member of a firm, the circumstance that the firms are in whole or in part composed of the same individuals, or that the sole contractor is also one of the joint contractors, shall not prevent proof in respect of the contractors against the properties respectively liable on the contracts.

4. *Periodical Payments.*—(19) When any rent or other payment falls due at stated periods, and the receiving order is made at any time other than one of those periods, the person entitled to the rent or payment may prove for a proportionate part thereof up to the date of the order as if the rent or payment grew due from day to day.

5. *Interest.*—(20) (*a*) On any debt or sum certain, payable at a certain time or otherwise, whereon interest is not reserved or agreed for, and which is overdue at the date of the receiving order and provable in bankruptcy, the creditor may prove for interest at a rate not exceeding four per cent. per annum to the date of the order from the time when the debt or sum was payable, if the debt or sum is payable by virtue of a written instrument at a certain time, and if payable otherwise, then from the time when a demand in writing has been made giving the debtor notice that interest will be claimed from the date of the demand until the time of payment.

(*b*) Where a debt has been proved upon a debtor's estate under the principal Act, and such debt includes interest, or any pecuniary consideration in lieu of interest, such interest or consideration shall, for the purpose of dividend, be calculated at a rate not exceeding five per cent. per annum, without prejudice to the right of a creditor to receive out of the estate any higher rate of interest to which he may be entitled after all the debts proved in the estate have been paid in full.

6. *Debt payable at a Future Time.*—(21) A creditor may prove for a debt not payable when the debtor committed an act of bankruptcy as if it were payable presently, and may receive divi-

the information required by the Companies Act, 1900, or contains untrue statements.

PROMPT. (Fr. *Terme*, Ger. *Ziel*, Sp. *Tiempo de pago.*)

An agreement entered into between a shipper or importer and a merchant, by which the former engages to sell specified goods at a fixed price, the goods to be taken and paid for at a named date. The time for payment varies in different trades, and the written agreement is accordingly called a three, four or six months' prompt as the case may be. If the goods are to be delivered before the date agreed upon, payment must be made for them at the time of delivery.

PROOF IN BANKRUPTCY. (Fr. *Preuve de banqueroute*, Ger. *beglaubigte Forderung*, Sp. *Prueba de Bancarota.*)

Evidence or testimony of the existence of a debt or liability, which every creditor must give in bankruptcy or in the winding up of joint-stock companies.

The following are the rules laid down by the Bankruptcy Act, 1883, in respect of the proof of debts.

1. *In Ordinary Cases.*—(1) Every creditor shall prove his debt as soon as may be after the making of the receiving order.

(2) A debt may be proved by delivering or sending through the post in a prepaid letter to the Official Receiver, or, if a trustee has been appointed to the trustee, an affidavit verifying the debt. The form prescribed by the Act must be used.

(3) The affidavit may be made by the creditor himself, or by some person authorized by or on behalf of the creditor. If made by a person so authorized, it must state his authority and his means of knowledge.

(4) The affidavit must contain or refer to a statement of account showing the particulars of the debt, and must specify the vouchers, if any, by which the same can be substantiated. The Official Receiver, or trustee, may at any time call for the production of the vouchers. If the proof is in respect of a bill of exchange, promissory note, or other negotiable instrument or security on which the debtor is liable, such bill of exchange, note, instrument, or security must, subject to any special order of the court made to the contrary, be produced before the proof can be admitted, either for voting or for dividend.

(5) The affidavit must state whether the creditor is or is not a secured creditor.

(6) The creditor must bear the cost of proving his debt, unless the court otherwise specially orders.

(7) Every creditor who has lodged a proof is entitled to see and examine the proofs of other creditors before the first meeting, and at all reasonable times. If a proof is intended to be used at the first meeting, it must be lodged with the Official Receiver not later than the time specified in the notice of meeting, which time must not be earlier than noon the day but one before, nor later than noon the day before the meeting.

(8) A creditor proving his debt must deduct therefrom all trade discounts, but he cannot be compelled to deduct any discount, not exceeding five per cent. on the net amount of the claim, which he may have agreed to allow for payment in cash.

2. *Proof by Secured Creditors.*—(9) If a secured creditor realizes his security he may prove for the balance due to him, after deducting the net amount realized. The proof must be limited to the principal and interest of the debt due at the date of the receiving order, after deducting the amount realized from the security. The proceeds cannot be applied to the payment of interest which has accrued subsequent to the date of the receiving order.

(10) If a secured creditor surrenders his security to the Official Receiver or the trustee for the general benefit of the creditors, he may prove for his whole debt.

(11) If a secured creditor does not either realize or surrender his security, he must, before ranking for dividend, state in his proof the particulars of his security, the date when it was given, and the value at which he assesses it, and shall be entitled to receive a dividend only in respect of the balance due to him after deducting the value so assessed.

(12) (*a*) Where a security is so valued the trustee may at any time redeem it on payment to the creditor of the assessed value.

(*b*) If the trustee is dissatisfied with the value at which a security is assessed, he may require that the property comprised in any security so valued be offered for sale at such times and on such terms and conditions as may be agreed on between the creditor and the trustee, or as, in default of such agreement, the court may direct. If the sale be by public auction the creditor, or the trustee on behalf of the estate, may bid or purchase,

(c) Provided that the creditor may at any time, by notice in writing, require the trustee to elect whether he will or will not exercise his power of redeeming the security or requiring it to be realized, and if the trustee does not, within six months after receiving the notice, signify in writing to the creditor his election to exercise the power, he shall not be entitled to exercise it; and the equity of redemption, or any other interest in the property comprised in the security which is vested in the trustee shall vest in the creditor, and the amount of his debt shall be reduced by the amount at which the security has been valued.

(13) Where a creditor has so valued his security, he may at any time amend the valuation and proof on showing to the satisfaction of the trustee, or the court, that the valuation and proof were made *bonâ fide* on a mistaken estimate, or that the security has diminished or increased in value since its previous valuation; but every such amendment shall be made at the cost of the creditor, and upon such terms as the court shall order, unless the trustee shall allow the amendment without application to the court. (The court means the registrar.)

(14) Where a valuation has been amended in accordance with the foregoing rule, the creditor shall forthwith repay any surplus dividend which he may have received in excess of that to which he would have been entitled on the amended valuation, or, as the case may be, shall be entitled to be paid out of any money for the time being available for dividend any dividend or share of dividend which he may have failed to receive by reason of the inaccuracy of the original valuation, before that money is made applicable to the payment of any future dividend, but he shall not be entitled to disturb the distribution of any dividend declared before the date of the amendment.

(15) If a creditor after having valued his security subsequently realizes it, or if it is realized under the provisions of rule 12, the net amount realized shall be substituted for the amount of any valuation previously made by the creditor, and shall be treated in all respects as an amended valuation made by the creditor.

(16) If a secured creditor does not comply with the foregoing rules, he shall be excluded from all share in any dividend.

(17) Subject to the provisions of rule 12, a creditor shall in no case receive more than 20*s.* in the £, and interest as provided by the Act.

3. *Proof in Respect of Distinct Contracts.*—(18) If a debtor was at the date of the receiving order liable in respect of distinct contracts as a member of two or more distinct firms, or as a sole contractor, and also as member of a firm, the circumstance that the firms are in whole or in part composed of the same individuals, or that the sole contractor is also one of the joint contractors, shall not prevent proof in respect of the contractors against the properties respectively liable on the contracts.

4. *Periodical Payments.*—(19) When any rent or other payment falls due at stated periods, and the receiving order is made at any time other than one of those periods, the person entitled to the rent or payment may prove for a proportionate part thereof up to the date of the order as if the rent or payment grew due from day to day.

5. *Interest.*—(20) (*a*) On any debt or sum certain, payable at a certain time or otherwise, whereon interest is not reserved or agreed for, and which is overdue at the date of the receiving order and provable in bankruptcy, the creditor may prove for interest at a rate not exceeding four per cent. per annum to the date of the order from the time when the debt or sum was payable, if the debt or sum is payable by virtue of a written instrument at a certain time, and if payable otherwise, then from the time when a demand in writing has been made giving the debtor notice that interest will be claimed from the date of the demand until the time of payment.

(*b*) Where a debt has been proved upon a debtor's estate under the principal Act, and such debt includes interest, or any pecuniary consideration in lieu of interest, such interest or consideration shall, for the purpose of dividend, be calculated at a rate not exceeding five per cent. per annum, without prejudice to the right of a creditor to receive out of the estate any higher rate of interest to which he may be entitled after all the debts proved in the estate have been paid in full.

6. *Debt payable at a Future Time.*—(21) A creditor may prove for a debt not payable when the debtor committed an act of bankruptcy as if it were payable presently, and may receive divi-

dends equally with the other creditors, deducting only thereout a rebate of interest at the rate of five per cent. per annum computed from the declaration of a dividend to the time when the debt would have become payable, according to the terms on which it was contracted.

7. *Admission or Rejection of Proofs.*—(22) The trustee must examine every proof and the grounds of the debt, and in writing admit or reject it, in whole or in part, or require further evidence in support of it. If he rejects a proof he must state in writing to the creditor the grounds of the rejection.

Subject to the power of the court to extend the time, the Official Receiver, as trustee, not later than seven days from the latest date specified in the notice of his intention to declare a dividend, as the time within which such proofs must be lodged, shall, in writing, either admit or reject, wholly or in part, every proof lodged with him, or require further evidence in support thereof. The trustee, other than the Official Receiver, has a period of twenty-eight days instead of seven.

(23) If the trustee thinks that a proof has been improperly admitted, the court may, on the application of the trustee, after notice to the creditor who made the proof, expunge the proof or reduce its amount.

(24) If a creditor is dissatisfied with the decision of the trustee in respect of a proof, the court may, on the application of the creditor, reverse or vary the decision.

(25) The court may also expunge or reduce a proof upon the application of a creditor if the trustee declines to interfere in the matter, or in the case of a composition or scheme, upon the application of the debtor.

(26) For the purpose of any of his duties in relation to proofs, the trustee may administer oaths and take affidavits.

(27) The Official Receiver, before the appointment of a trustee, shall have all the powers of a trustee with respect to the examination, admission, and rejection of proofs, and any act or decision of his in relation thereto shall be subject to the like appeal.

Every proof of debt for a sum which exceeds £2 requires a shilling stamp, unless the proof is for wages of workmen, when the stamp duty is remitted. In any case in which it appears from the debtor's statement of affairs that there are numerous claims for wages by workmen and others employed by the debtor, it is sufficient for one proof for all such claims to be made either by the debtor, his foreman, or some other person on behalf of all such creditors. The proof must be made in the prescribed form, and a schedule must be annexed thereto, setting forth the names of the workmen and others, and the amounts severally due to them. Any proof made in this manner has the same effect as if separate proofs had been made by each of the workmen and others, and then a stamp is required as in the case of an ordinary proof.

There are certain duties to be performed by the Official Receiver or trustee as to proofs which are sent in and admitted.

(1) Where a trustee is appointed in any matter, all proofs of debts that have been received by the Official Receiver shall be handed over to the trustee, but the Official Receiver shall first make a list of such proofs, and take a receipt thereon from the trustee for such proofs.

(2) The Official Receiver, where no other trustee is appointed, shall forthwith after the final payment has been made in a composition or scheme of arrangement duly approved by the court, and in a bankruptcy after a final dividend has been declared, send to the Registrar all proofs tendered in the proceeding, with a list thereof certified to be correct, distinguishing in such list the proofs which were wholly or partly admitted, and the proofs which were wholly or partly rejected.

(3) Every trustee in bankruptcy, other than the Official Receiver, shall, on the first day of every month, send to the Registrar a certified list of all proofs, if any, received by him from the Official Receiver, or otherwise tendered during the month next preceding, distinguishing in such lists the proofs admitted, those rejected, and such as stand over for further consideration; and, in the case of proofs admitted or rejected, he shall transmit the proofs themselves for the purpose of being filed.

(4) Upon the declaration of a dividend the trustee shall forthwith transmit to the Board of Trade a list of proofs filed with the proceedings. The list is to be made according to a specified form, and if the proceedings are in a county court the list shall, upon payment of the prescribed fee, be examined by the Registrar, with the proofs tendered for filing, and if found correct

shall be certified by the Registrar. If the proceedings are in the High Court the trustee shall, if so required by the Board of Trade, transmit to the Board of Trade office copies of all lists of proofs filed by him up to the date of declaration of the dividend.

PROOF OF DEBT. (See *Proof in Bankruptcy.*)

PROPERTY ACCOUNTS. (Fr. *Comptes de marchandises*, Ger. *Waren- und Immobilienkontos*, Sp. *Cuentas de Mercancias.*)

A term used in book-keeping for the names of the accounts which deal with different kinds of goods, such as tea, sugar, coffee, bills, etc.

PROPRIETARY COMPANY. (Fr. *Compagnie propriétaire*, Ger. *Privatgesellschaft*, Sp. *Compañia proprietaria.*)

This is usually a parent company which owns a quantity of land suitable for mining or other purposes, which is let out or sold in various portions to other public companies. Usually there are no bondholders or preference shares, but all the members have a joint-ownership in the land, and the profits, or part of them, are equally divided.

PRO RATA. (Fr. *Pro rata, proportionné*, Ger. *pro rata, nach Verhältnis*, Sp. *Pro rata.*)

At a certain rate.

PROSPECTUS. (Fr. *Prospectus*, Ger. *Prospektus*, Sp. *Prospecto.*)

The document put forward by the persons interested in a company to induce other persons to take shares or otherwise assist the company with money. By the 30th section of the Companies Act, 1900, the expression "prospectus" means any prospectus, notice, circular, advertisement, or other invitation, offering to the public for subscription or purchase any shares or debentures of a company.

The prospectus is generally issued immediately after the registration of the company. It must be dated, and the date is deemed the date of its publication. A copy must be signed by every person named in it as a director or proposed director (or his authorized agent) and filed with the Registrar at or before the date of publication.

As the persons who issue the prospectus are liable in damages to any one damnified by any false representation contained therein, the greatest care is necessary in its preparation. The obligation of those responsible for its issue and publication was thus laid down in what has been called "the golden rule as to framing prospectuses," by Vice-Chancellor Kindersley in 1861. "Those who issue a prospectus, holding out to the public the great advantages which will accrue to persons who will take shares in a proposed undertaking, and inviting them to take shares on the faith of the representations therein contained, are bound to state everything with strict and scrupulous accuracy, and not only to abstain from stating as fact that which is not so, but to omit no one fact within their knowledge, the existence of which might in any degree affect the nature or extent or quality of the privileges and advantages which the prospectus holds out as inducements to take shares."

The legal obligation has been laid down as follows by the 10th section of the Act of 1900:—

(1) Every prospectus issued by or on behalf of a company, or by or on behalf of any person who is or has been engaged or interested in the formation of the company, must state—

(*a*) The contents of the memorandum of association, with the names, descriptions, and addresses of the signatories, and the number of shares subscribed for by them respectively; and the number of founders and management shares, if any, and the nature and extent of the interest of the holders in the property and profits of the company;

(*b*) The number of shares, if any, fixed by the articles of association as the qualification of a director, and any provision in the articles of association as to the remuneration of the directors;

(*c*) The names, descriptions, and addresses of the directors or proposed directors;

(*d*) The minimum subscription on which the directors may proceed to allotment, and the amount payable on application and allotment on each share; and in the case of a second or subsequent offer of shares, the amount offered for subscription on each previous allotment, and the amount actually allotted, and the amount, if any, paid on such shares;

(*e*) The number and amount of shares and debentures issued, or agreed to be issued, as fully or partly paid up or otherwise than in cash, and in the latter case the extent to which they are so paid up; and in either case the consideration for which shares or debentures have been issued or are proposed or intended to be issued;

(*f*) The names and addresses of the

vendors of any property purchased or acquired by the company, or proposed so to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by the prospectus, or the purchase or acquisition of which has not been completed at the date of publication of the prospectus, and the amount payable in cash, shares, or debentures, to the vendor, and where there is more than one separate vendor, or the company is a sub-purchaser, the amount so payable to each vendor;

(*g*) The amount, if any, paid or payable as purchase money in cash, shares, or debentures of any such property as aforesaid, specifying the amount payable for good-will;

(*h*) The amount, if any, paid or payable as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in the company, or the rate of any such commission;

(*i*) The amount or estimated amount of preliminary expenses;

(*j*) The amount paid or intended to be paid to any promoter and the consideration for any such payment;

(*k*) The dates of, and the parties to, every material contract, and a reasonable time and place at which any material contract or a copy thereof may be inspected: Provided that this requirement shall not apply to a contract entered into in the ordinary course of the business carried on or intended to be carried on by the company, or to any contract entered into more than three years before the date of the publication of the prospectus;

(*l*) The names and addresses of the auditors, if any, of the company;

(*m*) Full particulars of the nature and extent of the interest, if any, of every director in the promotion of or in the property proposed to be acquired by the company, with a statement of all sums paid or agreed to be paid to him in cash or shares by any person either to qualify him as a director or otherwise for services rendered by him in connection with the formation of the company.

(2) For the purposes of this section every person shall be deemed to be a vendor who has entered into any contract, absolute or conditional, for the sale or purchase or for any option of purchase, of any property to be acquired by the company, in any case where—

(*a*) The purchase money is not fully paid at the date of publication of the prospectus;

(*b*) The purchase money is to be paid or satisfied wholly or in part out of the proceeds of the issue offered for subscription by the prospectus;

(*c*) The contract depends for its validity or fulfilment on the result of such issue.

(3) Where any of the property to be acquired by the company is to be taken on lease, this section shall apply as if the expression "vendor" included the lessor, and the expression "purchase money" included the consideration for the lease, and the expression "sub-purchaser" included a sub-lessee.

(4) This section shall not apply to a circular or notice inviting existing members or debenture holders of a company to subscribe for further shares or debentures, but, subject as aforesaid, this section shall apply to any prospectus whether issued on or with reference to the formation of a company or subsequently: Provided that—

(*a*) The requirements as to the memorandum of association, and the qualification, remuneration, and interest of directors, the names, descriptions, and addresses of directors or proposed directors, and the amount or estimated amount of preliminary expenses, shall not apply in the case of a prospectus published more than a year after the date at which the company is entitled to commence business; and

(*b*) In the case of a prospectus published more than one year after the date at which the company is entitled to commence business, the obligation to disclose all material contracts shall be limited to a period of two years immediately preceding the publication of the prospectus.

(5) Any condition requiring or binding any applicant for shares or debentures to waive compliance with any requirement of this section, or purporting to affect him with notice of any contract, document, or matter not specifically referred to in the prospectus, shall be void.

(6) Where any such prospectus as is mentioned in this section is published as a newspaper advertisement, it shall not be necessary to specify the contents of the memorandum of association or the signatories thereto, and the number of shares subscribed for by them.

(7) In the event of non-compliance with any of the requirements of this section, a director or other person responsible for the prospectus shall not

incur any liability by reason of the non-compliance, if he proves that—

(*a*) As regards any matter not disclosed; he was not cognisant thereof; or

(*b*) The non-compliance arose from an honest mistake of fact on his part.

Provided that in the event of non-compliance with the requirements contained in paragraph (*m*) of the first subsection above, no director or other person shall incur any liability in respect of such non-compliance unless it be proved that he had knowledge of the matters not disclosed.

It is not known what will be the exact result of a failure to comply with all the provisions of the above section, as the Act is silent upon the point. It awaits a judicial decision. Possibly it will be held that no valid contract to take shares can arise, and that a person applying for shares on the faith of such a prospectus will not, upon allotment, become a member or a contributory of the company.

Where a person has been induced to take shares in a company on the faith of any false representations contained in a prospectus of the company, there is a two-fold remedy open to him: (1) against the company; (2) against the persons who are responsible for the issue and publication of the prospectus.

The remedy against the company is a rescission of the contract to take shares. This can only be obtained if the applicant proves that the prospectus misrepresented or failed to disclose some material fact, and that such misrepresentation or concealment led to the formation of the contract. The application must be made very promptly or the right to relief will be forfeited; and if the company is being wound up no application will be heard at all.

The remedy against the persons who are responsible for and have issued the prospectus is an action for damages. At common law the action was for deceit. But after the decision in *Derry* v. *Peck*, 14 A.C. 337, the Directors' Liability Act, 1890, was passed, and now the burden of proof is on the directors to show that they have acted honestly in making the statements contained in the prospectus, whereas it was formerly upon the victimised shareholders to prove that the statements were made either dishonestly or recklessly, the directors, etc., not caring whether they were true or not. (See *Directors.*)

The same rule applies to prospectuses offering debentures, debenture stock, or other securities for subscription as to those which offer the shares of a company to the public.

PROTECTION. (Fr. *Protection*, Ger. *Schutzzoll*, Sp. *Protección.*)

The attempt to foster the native industries of any particular country by prohibiting the importation of similar goods, or preventing their free importation by the imposition of high duties. Protection is the reverse of free trade.

PROTECTIONISTS. (Fr. *Protectionistes*, Ger. *Schutzzöllner*, Sp. *Proteccionistas.*)

The advocates of the doctrine of protection and opponents of free trade.

PROTEST. (Fr. *Protêt*, Ger. *Protest*, Sp. *Protesto.*)

The attestation by a notary public of an unpaid or an unaccepted foreign bill of exchange. (See *Foreign Bill of Exchange.*)

Unless a dishonoured foreign bill is protested the drawer and the indorsers are discharged. The protest should be made on the day of dishonour; but where the acceptor of a bill becomes bankrupt or insolvent, or suspends payment before it matures, the holder may cause the bill to be protested for better security against the drawer and indorsers.

A bill must be protested at the place where it is dishonoured; but when a bill is presented through the post office, and returned by post dishonoured, it may be protested at the place to which it is returned and on the day of its return if received during business hours, and if not received during business hours, then not later than the next business day. And again, when a bill drawn payable at the place of business or residence of some person other than the drawee has been dishonoured by non-acceptance, it must be protested for non-payment at the place where it is expressed to be payable, and no further presentment for payment to, or demand on, the drawer is necessary.

A protest usually contains:—

(1) An exact copy of the bill.

(2) A statement of the parties for whom and against whom the bill is protested.

(3) The place and date of the protest.

(4) A statement that acceptance or payment has been demanded by the notary, the answer given (if any), or a notification of the fact that no answer was given, or that the drawee or acceptor could not be found.

(5) A reservation of rights against all the parties liable.

(6) The subscription and seal of the notary.

Although it is usual for the protest to be made by a notary public, it may be made by any respectable inhabitant in the presence of two witnesses. The following form is given in the first schedule of the Bills of Exchange Act, 1882, for use when the services of a notary cannot be obtained.

"Know all men that I, A.B. (householder), of in the county of , in the United Kingdom, at the request of C.D., there being no notary public available, did on the day of , at demand payment (*or* acceptance) of the bill of exchange hereunder written, from E.F., to which demand he made answer (state answer, if any) wherefore I now, in the presence of G.H. and J.K. do protest the said bill of exchange.

(Signed) A.B.

G.H. } Witnesses."
J.K. }

Where a bill is lost or destroyed, or is wrongly detained from the person entitled to hold it, protest may be made on a copy or written particulars thereof.

Protest is dispensed with by any circumstance which would dispense with notice of dishonour. (See *Dishonour.*) Delay in protesting is excused when the delay is caused by circumstances beyond the control of the holder, and is not imputable to his default, misconduct, or negligence. When the cause of delay ceases to operate the bill must be protested with reasonable diligence.

The protest must be stamped. Where the duty on a bill does not exceed one shilling, the stamp required is of the same amount as that of the bill. In any other case the stamp upon the protest is a shilling one.

PROTESTER. (Fr. *Créancier qui fait faire un protêt*, Ger. *Protesterheber*, Sp. *Protestador.*)

One who protests a bill of exchange.

PROVISO. (Fr. *Condition*, Ger. *Vorbehalt*, Sp. *Condición.*)

A provision or condition contained in a deed or other document, and upon the happening of which the performance of the terms of an agreement are dependent.

PROXIMO. (Fr. *Du mois prochain*, Ger. *nächster Monat*, Sp. *Próximo.*)

The next approaching month, or if a particular month is named, the next month of that name.

PROXY. 1. (Fr. *Fondé de pouvoir, procureur*, Ger. *Bevollmächtigter*, Sp. *Autorizado.*)

A person who acts for another.

2. (Fr. *Procuration*, Ger. *Vollmacht*, Sp. *Procuración.*)

The deed or document by which a person is deputed to act.

The powers and authority of a proxy will depend upon circumstances. It does not appear that there is a right to vote by proxy at common law, so the power must be specially created.

The stamp duty upon a proxy is one penny, but there is an exemption when the proxy form relates solely to bankruptcy proceedings or the winding-up of joint-stock companies.

PUBLIC POLICY. (See *Contract.*)

PUBLIC COMPANIES. (Fr. *Sociétés en commandite*, Ger. *Aktiengesellschaften*, Sp. *Sociedades.*)

The joint-stock or limited liability companies which apply to the public for subscription, and which are composed of shareholders who are at liberty to sell their shares publicly without the consent of their fellow shareholders.

PUNCHEON. (Fr. *Pièce (anglaise)*, Ger. *Stückfass*, Sp. *Medida inglesa.*)

A liquid measure of eighty-four gallons.

PURSER. (Fr. *Commissaire, agent comptable*, Ger. *Zahlmeister*, Sp. *Habilitado.*)

An officer of a ship who has charge of the payments, and who keeps the accounts of the vessel. Also the person who has the management of a cost-book mining company.

PUT. (Fr. *Droit de vendre*, Ger. *Verkaufsoption*, Sp. *Derecho de vender.*)

This is a Stock Exchange term, shortened from put option, implying the right, in consideration of a certain premium paid, to sell at a given price and within a fixed time stocks, shares, or other commodities. The profit to be derived will depend upon the movement of the market, and the loss, if any, is limited to the amount of the premium.

The opposite of a put option is called a call option. Each is known as a single option. When an operator has the right to buy or sell according as the market price rises or falls, he is said to have a put and call, or a double, option.

PYX. (Fr. *Boîte des monnaies à essayer*, Ger. *Münzensammlung*, Sp. *Caja de monedas para ensayar.*)

A box, or chest, derived from a Greek word, into which money is placed for the purpose of being tested.

From what is known as each "journey" weight of metal, or the quantity that can be coined in one day (50 lbs. troy of gold and 60 lbs. troy of silver), one coin is selected and deposited in the pyx, or chest, which is kept in the pyx chamber at Westminster. All these coins are annually tested as to weight and fineness by a jury of the Goldsmiths' Company, who are summoned by Treasury warrant, and presided over by the King's Remembrancer. This is known as the trial of the pyx, and the object of the trial is to guarantee that there is no departure from the legal standard of the coinage.

The trial is as old as the reign of Edward III., but it was conducted at irregular intervals until 1871, when it was made annual.

Q. This letter is used in the following abbreviations :—

Qr., Quarter.
Q.v., *Quod vide*—which see.
Qy., Query.

QUALIFIED ACCEPTANCE. (Fr. *Acceptance spécifiée*, Ger. *bedingte Annahme*, Sp. *Aceptación especificada.*)

A signification by the drawee of his qualified assent to the order of the drawer of a bill of exchange.

It may be either—

(1) Conditional, making payment depend upon the fulfilment of a condition stated in the bill ;

(2) Partial, for a part only of the amount named in the bill ;

(3) Local, making the bill payable at a particular place, and there only.

The holder of a bill may refuse to take a qualified acceptance, and any holder other than the drawer, taking such an acceptance, must immediately give notice of the fact to prior holders ; failing such notice, they are discharged from liability on the bill.

QUARANTINE. (Fr. *Quarantaine*, Ger. *Quarantäne*, Sp. *Cuarentena.*)

A regulation to prevent the introduction of infectious diseases into a city or country, by obliging ships, goods or persons leaving a place suffering from infectious disease to remain a certain time in a condition of isolation before entering another place.

The word is derived from the Latin, *quadraginta*, forty, because the period of isolation was originally forty days.

QUART. (Fr. *Litre*, Ger. *Quart, Kanne*, Sp. *Litro, cuarterola.*)

The fourth part of a gallon, or two pints.

QUARTER (qr.). 1. (Fr. *Quart de quintal*, Ger. *Viertelzentner*, Sp. *Cuaderna de quintal.*)

The fourth part of a hundred-weight, or 28 lbs.

2. (Fr. *Quart de boisseau*, Ger. *englischer Malter*, Sp. *Cuaderna de fanega.*)

A measure of eight bushels of grain.

QUARTER DAYS. (Fr. *Jours de terme*, Ger. *Quartalstage*, Sp. *Trimestrales.*)

The last days of each of the quarters of the year on which payment of rent or interest becomes due.

The *English Quarter Days* are—

(1) Lady Day, March 25 ; (2) Midsummer Day, June 24 ; (3) Michaelmas, September 29 ; (4) Christmas Day, December 25.

The *Scottish Quarter Days* are—

(1) Candlemas, February 2 ; (2) Whitsun ; May 15 ; (3) Lammas, August 1 ; (4) Martinmas, November 11.

QUARTERLY TRADE ACCOUNTS. (Fr. *Comptes trimestriels*, Ger. *vierteljährliche Abschlüsse*, Sp. *Cuentas trimestriales.*)

Accounts which are made up to the ends of the months of March, June, September, and December.

QUARTERN (qtn.). 1. (Fr. *Quart de pinte anglaise*, Ger. *Viertelpinte*, Sp. *Cuarterola.*)

The fourth part of a pint, or one gill.

2. (Fr. *Kilo et demi*, Ger. *Viertelmetze*, Sp. *Kilo y medio.*)

The fourth part of a peck.

QUARTO (4to). (Fr. *in-quarto*, Ger. *Quartformat*, Sp. *Cuarto.*)

A sheet folded into four leaves, or a book of quarto size.

The plural of the word is *quartos.*

QUAY. (Fr. *Quai*, Ger. *Kai, Quai*, Sp. *Muelle.*)

A landing place for vessels to receive or discharge cargo.

QUAYAGE. (Fr. *Quayage*, Ger. *Kaigeld*, Sp. *Muellaje.*)

The payment made for the use of a quay.

QUEENSLAND. Queensland, situated to the north of New South Wales, occupies the north-eastern part of Australia. Its population of a little over half a million is chiefly settled along the eastern coast plain. The area of the whole colony is more than five and a half times that of the United Kingdom. Half this immense stretch of country is forest covered with fine hard building timber. Sheep-farming, cattle-rearing, the culture of maize, the sugar-cane, coffee, and rice, and the mining of gold and tin are the chief occupations. Much

of the export trade of Queensland goes to market by way of Sydney and Melbourne. The chief exports are wool, gold, and sugar; bread-stuffs and clothing being imported in exchange.

The imports from the United Kingdom, valued at rather more than 2½ millions sterling annually, consist chiefly of clothing and metal goods of all kinds.

The exports to the United Kingdom, valued at about 3 millions sterling annually, include gold, wool, preserved meat, and shells.

One-fourth of the population lives in and around Brisbane, the capital, a city of about the same population as Norwich. It is situated upon the Brisbane river, twenty-five miles from the sea, having railway and steam-ship communication with the colonies to the south.

Mails are despatched every Friday via Italy, and on other days, at irregular intervals, via Vancouver and San Francisco. The time of transit is about 33½ days. The cost of telegrams is 2*s.* 10*d.* or 3*s.* per word.

QUID PRO QUO. (Fr. *Equivalent*, Ger. *Aquivalent*, Sp. *Equivalente.*)

A mutual concession in business between parties.

The phrase is a Latin one, and signifies *one thing for another.*

QUINTAL. 1. (Fr. *Quintal*, Ger. *Quintal*, Sp. *Quintal*, 50 *kilos.*)

In Liverpool and the United States a weight of 100 lbs.

2. (Fr. 100 *kilogrammes*, Ger. *Quintal*, Sp. *Quintal métrico*, 100 *kilos.*)

In France a weight of 100 kilos, or about 220¼ lbs. avoirdupois, or, more correctly, 220.46213 lbs.

QUIRE (qr.). (Fr. *Main*, Ger. *Buch*, Sp. *Mano.*)

Twenty-four sheets of paper.

QUIT RENT. (Fr. *Redevance*, Ger. *Erbzins*, Sp. *Renta reservada.*)

The rent paid in a manor by which the tenant is freed from all other services.

The term is derived from the Latin, *quietus reditus.*

QUITTANCE. (Fr. *Acquittement, quittance*, Ger. *Quittung*, Sp. *Recibi.*)

A discharge or release from a debt or other obligation.

QUORUM. (Fr. *Quorum, quantum*, Ger. *beschlussfähige Zahl*, Sp. *Junta de Jueces.*)

The number of members of an administrative body who must be present to transact the business of the body.

Originally *quorum* was the first word of a commission issued to certain justices, *of whom* a certain number had to be present.

QUOTATION. (Fr. *Citation, cote*, Ger. *Kurs, Notierung*, Sp. *Cotización, citación.*)

A statement of the price and terms upon which certain articles can be supplied.

R. This letter is used in the following abbreviations :—

R.,	Rupee.
R/D.,	Refer to drawer (banking).
Reg.,	Registered.
Regd.,	,,
Rev. A/C.,	Revenue account.
Rm.,	Ream.
R.M.S.,	Royal Mail Steamer.
Rs.,	Rupees.
Ry.,	Railway.

RACKING. 1. (Fr. *Soutirage*, Ger. *abziehen*, Sp. *Conpaje.*)

Drawing off wines or spirits from the lees or sediments.

2. (Fr. *Soutirage*, Ger. *umfüllen*, Sp. *Coupaje.*)

Transferring wines or spirits from an unsound cask to a sound one, or from one large cask into several smaller ones. Also combining the contents of several small casks into one large one.

RACK RENT. (Fr. *Maximum de loyer*, Ger. *höchste Miete*, Sp. *Arriendo exorbiante.*)

The full annual rent of a particular property.

RAILWAY ADVICE. (Fr. *Avis de délivrance*, Ger. *Eisenbahnavis*, Sp. *Aviso del ferro carril.*)

A document received from a railway company stating—

(1) That a consignment of goods has arrived at one of its stations.

(2) That it awaits orders as to disposal, and intimating that a demurrage, or charge for detaining a railway truck, will be charged if the goods are not removed within a given time.

RAILWAY CLEARING HOUSE. (See *Clearing House.*)

RATEABLE VALUE. (Fr. *Valeur imposable*, Ger. *steuerbarer Wert*, Sp. *Valor tasado.*)

The value of property after deducting from it the probable annual average cost of repairs, insurance, and other expenses.

RATE OF EXCHANGE. (Fr. *Cours*, Ger. *Kurs*, Sp. *Tipo de cambio*)

The amount in the currency of one country which, on a given date, is offered for a certain sum or unit in the currency of another country. Rates of exchange

vary from day to day, and are seldom at par. When the rate offered for bills on foreign countries is high the exchange is said to be favourable; when the reverse is the case the rate of exchange is said to be unfavourable.

By the Stamp Act of 1870, an instrument chargeable with duty is liable to the amount calculated upon the rate of exchange at the date of the instrument. Also the stamp duty on a bill of exchange is to be calculated on the rate of exchange on the day when the bill is payable.

RATIFICATION. (See *Agency.*)

RAW MATERIALS. (Fr. *Matière brute*, Ger. *Rohmaterial*, Sp. *Material bruto.*)

The materials employed in the production of the commodities of any trade upon which nothing has been expended, and which are as yet unaltered. The manufactured articles of one trade may constitute the raw materials of another trade.

RE. (Fr. *Affaire*, Ger. *in Sachen*, Sp. *Causa.*)

Relating to.

REAL ESTATE. (Fr. *Biens immobiliers*, Ger. *Grundeigentum*, Sp. *Bienes inmuebles.*)

Immovable property, such as land, so called in distinction to moveable property, or personal estate. Leaseholds, although partaking of the nature of property in land, are personal estate.

REAM. (Fr. *Rame*, Ger. *Ries*, Sp. *Resma.*)

A bundle or package of paper. A ream of writing paper consists of 20 quires, each quire containing 24 sheets. A ream of printing paper, commonly called a printer's ream, contains 21½ quires, or 516 sheets.

REBATE. (Fr. *Réfaction*, Ger. *Rabatt*, Sp. *Rebaja.*)

An allowance or discount. It is frequently but improperly used in the same sense as abate. The word is derived from the French, *rebattre*, which means to beat back. Properly it implies a return of interest which has been previously paid.

RECEIPT. (Fr. *Reçu*, *quittance*, Ger. *Quittung*, Sp. *Recibo.*)

A legal written acknowledgment of having received a sum of money. If the sum paid is £2 or more, a penny stamp must be affixed and cancelled, otherwise the receipt is of no legal effect. The stamp must be on the receipt at the date when the money is paid; but a receipt may afterwards be stamped with an impressed stamp upon the following terms:—

(1) Within fourteen days after the date of payment, on payment of a penalty of £5, in addition to the penny stamp.

(2) After fourteen days, but within a month, on payment of a penalty of £10, in addition to the penny stamp.

No receipt can be stamped after a month has elapsed from the time of the payment of the money.

The following documents are legally exempted from stamp duty:—

(1) Receipts given for money placed on deposit with a banker.

(2) Acknowledgments by a banker of the receipt of bills of exchange for the purpose of presentation for acceptance or payment.

(3) Receipts for taxes or duties, or for money paid to an officer of a public department of the state, wherein the officer derives no personal benefit.

(4) Receipts given by any officer, seaman, marine, or soldier, or his representatives, for wages, pay, or pension.

(5) Receipts given for any principal money or interest due on an exchequer bill.

(6) Receipts given for the consideration money for the purchase of any share in any of the Government or Parliamentary stocks or funds, or in the stocks and funds of the Secretary of State in Council of India, or of the governor and company of the Bank of England, or of the Bank of Ireland, or for any dividend paid on any share of the said stock or funds respectively.

(7) Receipts given upon bills or notes of the governor and company of the Bank of England or the Bank of Ireland.

(8) Receipts indorsed or otherwise written upon or contained in any instrument liable to stamp duty, and duly stamped, acknowledging the receipt of the consideration money therein expressed, or the receipt of any principal money, interest or annuity thereby secured or therein mentioned.

(9) Receipts given for any allowance by way of drawback or otherwise upon the exportation of any goods or merchandise from the United Kingdom.

(10) Receipts given for the return of any duties of customs upon certificates of over-entry.

These exemptions are contained in the Stamp Act of 1870, but certain receipts and other documents are specially exempted from duty by the Building Societies Act, 1874, the Bankruptcy Act, 1883, the Friendly Societies Act, 1895; and the Finance Act, 1895, as regards the liquidation of companies. Charitable

institutions enjoy a certain kind of immunity from stamp duties in respect of receipts for donations and subscriptions, for no penalty is enforced by the Commissioners of Inland Revenue if the receipts are unstamped.

Formerly receipts written upon bills of exchange and promissory notes were exempt from the penny stamp duty. But the duty has been payable since July 1, 1895, with this proviso, that neither the name of a banker (whether accompanied by words of receipt or not) written in the ordinary course of business upon a bill of exchange or promissory note, nor the name of the payee written upon a draft or order, if payable to order, shall constitute a receipt chargeable with stamp duty.

If any person gives a receipt which is liable to stamp duty without being duly stamped, or refuses to give a duly stamped receipt, where the receipt would be legally liable to stamp duty, or, upon the payment of an amount of £2 or upwards, gives a receipt for a sum not amounting to £2, or separates or divides the amount with intent to evade the duty, he is liable to a fine of £10.

RECEIVER. (Fr. *Receveur*, Ger. *Einnehmer*, Sp. *Recibidor.*)

A receiver is a person appointed with the object of providing for the safety of property pending litigation which is to decide as to the rights of the litigant parties, or of property which is in danger of being dissipated or destroyed by those to whom it is by law entrusted or by persons having immediate but partial interests therein, or of property which is mortgaged or charged, or of the property of infants, or by way of equitable execution.

In all but the last mentioned case, an application may be made to the court for the appointment of a receiver immediately after the issue of the writ, and the appointment follows almost as a matter of course if it appears just or convenient. In the case of equitable execution a receiver is appointed when a creditor has obtained judgment against a debtor, and it appears that the debtor has interests in property which cannot be taken in execution, for instance, a life interest in stocks and shares held by trustees. Such interests can only be reached by the appointment of a person to receive the same and pay the money into court towards the satisfaction of the judgment.

A receiver appointed by the court must give security, usually a bond of himself and two sureties. He is generally allowed 5 per cent. by way of remuneration. He is bound to keep proper accounts, and to produce them in court at periods fixed by the order which appoints him. On the completion of his security he becomes an officer of the court, and when he has taken possession of the property of which he is the receiver, if any one disturbs him in his possession that person is guilty of a contempt of court and is liable to imprisonment. Even if a person considers that he has a title paramount to that of the receiver he must obtain the leave of the court before attempting to assert his right.

It frequently happens that it is necessary for the preservation of the subject matter of the litigation that a business should be carried on, for example, in proceedings by debenture holders of a joint-stock company or in actions between partners. In such cases a receiver is appointed manager also, and care must be taken to select a person conversant with and experienced in the particular business. Generally the judge appoints the person nominated by the party making the application for the receiver, unless some good reason can be shown by the opposing party against his fitness.

A receiver appointed by a mortgagee or incumbrancer, and not by the court, has only the powers conferred on him by statute or agreement; By the former he has power to receive all the income of the property of which he is appointed receiver, by action, distress, or otherwise, and to give receipts for payments. He is entitled to charge 5 per cent. for his remuneration unless a lower rate is specified in his appointment. All moneys received must be employed first, in the discharge of rates, taxes, and outgoings; next in payment of his own commission and of premiums on policies and for repairs, and then in payment of the interest on the mortgage. If there is any balance it goes to the mortgagor.

RECEIVING NOTES. (Fr. *Notes de passage*, Ger. *Ladungsschein*, Sp. *Notas de entrega.*)

These are documents addressed by a shipper to the chief officer of a ship, requesting him to take on board certain specified goods.

RECEIVING ORDER. (Fr. *Mandat d'action*, Ger. *Veräusserungsverbot*, Sp. *Nombramiento de síndico.*)

An order made by the court on the

petition of a debtor or of one of his creditors, at the commencement of bankruptcy proceedings. The official receiver becomes at once the receiver of the property of the debtor. As soon as the order is made all creditors of the debtor are restrained from taking any legal proceedings against him without special leave.

The making of the receiving order does not divest the debtor of his property. It simply protects it until some arrangement has been arrived at, or until there is an adjudication of bankruptcy.

Although a receiving order is the first step to be taken in bankruptcy proceedings it does not follow as a matter of course that the debtor will be made a bankrupt. That will depend upon the resolution of the creditors after the debtor has undergone his public examination.

RE-DRAFT. (Fr. *Retraite*, Ger. *Ritratte*, *Rücktratte*, Sp. *Giro renovado.*)

A second draft or copy; a new bill of exchange which the holder of a protested bill draws on the drawer or indorsers for the amount of the bill with costs and charges. It is sometimes known as a cross bill.

RED LETTER DAY. (Fr. *Jour de fête, jour propice, jour de bonheur*, Ger. *Glückstag*, Sp. *Dia festivo, Dia de surte.*)

This means a fortunate day; for example, when trade is exceptionally good, or when large profits are made upon stocks or shares on the Stock Exchange.

REDUCED ANNUITY. (Fr. *Rente réduite*, Ger. *reduzierte Annuität*, Sp. *Renta reducida.*)

An annuity upon which the rate of interest has been reduced from that which was originally paid.

RE-EXCHANGE. (Fr. *Rechange*, Ger. *Rückwechsel*, Sp. *Recambio.*)

The loss resulting from the dishonour of a bill in a country different to that in which it was drawn or indorsed. The re-exchange is ascertained by proof of the sum for which a bill at sight (drawn at the time and place of dishonour at the existing rate of exchange or the place where the party sought to be charged resides), must be drawn in order to realize at the place of dishonour the amount of the dishonoured bill and the expenses consequent on its dishonour. The expenses consequent on dishonour are the expenses of protest, postage, customary commission, and brokerage, and, where a re-draft is drawn, the price of the stamp.

RE-EXPORTATION. (Fr. *Réexportation*, Ger. *Wiederausfuhr*, Sp. *Reexportacion.*)

The act of exporting goods from a country into which they have first been imported.

REFEREE. (Fr. *Arbitre*, Ger. *Schiedsrichter*, Sp. *Arbitro.*)

A person to whom some matter in dispute is referred.

In arbitrations the submission is made either by the parties themselves, or it is ordered by the court. In the former case the referee or arbitrator is appointed by the agreement of the parties. In the latter the referee is known as the official referee, and he is an officer of the court. There are three official referees, and they are invested with many of the powers of a judge of the High Court. Their work is allotted to them in rotation. (See *Arbitration.*)

REFERENCE. (Fr. *Référence*, Ger. *Referenz*, Sp. *Referencia.*)

A person or firm who will consent to answer questions as to the commercial standing or character of the person giving their name.

REFUND. (Fr. *Rembourser*, Ger. *ersetzen, vergüten*, Sp. *Reembolsar.*)

To repay.

REGISTER. (See *Companies.*)

REGISTERED BONDS. (Fr. *Obligations nominatives*, Ger. *eingetragene Obligationen*, Sp. *Obligaciones certificadas.*)

Bonds which are registered in the holder's name in the books of the company or state issuing them, as a protection against loss or theft.

REGISTERED LETTERS. (Fr. *Lettres recommandées*, Ger. *eingeschriebene Briefe*, Sp. *Cartas certificadas.*)

The letters upon which an insurance or registration fee is paid, so that special care may be bestowed upon them whilst passing through the post, and for which compensation will be paid, according to scale, in cases of loss, damage, or theft. (See *Mail.*)

REGISTERED STOCK. (Fr. *Actions nominatives*, Ger. *eingetragene Aktien, Namenspapiere*, Sp. *Valores certificados.*)

This is stock registered in the name of the holder, either at a bank or at the office of the company issuing the stock. It differs from stocks or bonds to bearer in having no coupon sheet attached, the dividends being paid by warrants, which are posted to the holder's address as they become due, and also in that it is not transferable, except the holder (or his representative by power of attorney) signs the register that he has

assigned his right to some other person. The stock is called registered because the name of the holder is registered in a book as the possessor of so much stock, and he only receives a certificate declaring the amount of the stock he holds, as showing that he is entitled to receive interest upon it so long as his name appears upon the register as the rightful owner of the stock.

REI, REE, or REA. (Fr., Ger., Sp. *Rei.*)

The lowest unit of money in Portugal and Brazil. It no longer exists as a coin, however, though other coins are valued as multiples of it; thus, there are copper coins of 5, 10, and 20 reis. The milreis is valued at 1,000 reis, and in Brazil is equal to about 2*s.* 3*d.* of English money, or, more exactly, 26.93 pence. In Portugal the milreis is equal to about 4*s.* 5½*d.*, or, more exactly, 53.284 pence.

The system of writing reis and milreis is as follows:—

1,000 reis — 1 milreis, is written 1$000; 1,000,000 reis — 1 conto, is written 1,000$000; 1,000,000,000 reis — 1,000 contos, is written 1,000,000$000.

REICHSMARK. (Fr. *Mark, monnaie allemande*, Ger. *Reichsmark*, Sp. *Marco, moneda austriaca.*)

The same as the mark of the German Empire.

RE-IMBURSE. (Fr. *Rembourser*, Ger. *remboursieren wiedererstatten*, Sp. *Reembolsar.*)

Literally, to put back into a purse; to repay.

RE-INSURE. (Fr. *Réassurer*, Ger. *rückversichern*, Sp. *Asegurar nuevamente.*)

To insure a second time. When an insurer, or an insurance company, has taken a considerable risk as to any particular matter, it is the general custom to re-insure with other persons or other companies so that the possible loss may be widely distributed. Every insurer has an insurable interest in the risk which he has undertaken. The original liability of the insurer to the person insured is in no way affected by the re-insurance.

RE-LEASE. (Fr. *Renouveler un bail*, Ger. *wieder vermieten*, Sp. *Re-arrendar.*)

To grant a new lease.

RELEASE. (Fr. *Décharger*, Ger. *befreien, entlassen*, Sp. *Libertar, soltar.*)

The act of freeing a person from an obligation which he has undertaken.

After a breach of contract, a person who has a right of action may agree to waive such right. If he does so, however, the release must be made by deed, otherwise it will be of no legal value, as there is no consideration for the agreement. An exception is made in the case of Bills of Exchange. By section 62 of the Bills of Exchange Act, 1882, it is provided: "When the holder of a bill at or after its maturity absolutely and unconditionally renounces his rights against the acceptor, the bill is discharged. The renunciation must be in writing, unless the bill is delivered up to the acceptor. The liabilities of any party to a bill may in like manner be renounced by the holder before, at, or after its maturity, but nothing in this section shall affect the rights of a holder in due course, without notice of the renunciation."

After the various matters connected with carrying out the trusts of a will have been completed, an executor is entitled to a release from the residuary legatee, relieving him from any further liability and responsibility in connection with the estate.

A release is granted by the Board of Trade to the liquidator of a joint-stock company, and to a trustee in bankruptcy, on the completion of the winding-up or the bankruptcy proceedings. The liquidator, or trustee, must make a special application for his release, and the release will not be granted until the Board of Trade is satisfied that the accounts are in order, and that the duties devolving upon the liquidator or trustee have been properly carried out. Notice of the intention to make the application must first be given to the creditors of the company or the bankrupt, in order that their interests may be safe-guarded.

REMITTANCE. (Fr. *Remise*, Ger. *Rimesse, Anschaffung*, Sp. *Remesa.*)

Money or something equivalent to money sent by one person to another either in cash, or by bill of exchange, cheque, postal order or otherwise.

REMAINDER. (See *Reversion.*)

RENEWAL OF A BILL. (Fr. *Renouvellement de traite*, Ger. *Prolongation, Erneuerung*, Sp. *Prolongación de una letra.*)

The giving or the acceptance of a new bill of exchange in place of a previous one which the acceptor was unable to pay when it fell due. It operates as an extension of time for the payment of the original bill. A renewal without the assent of all the parties liable on the bill as sureties discharges such sureties.

When a bill is given in renewal of a former bill, and the holder retains the former bill, the renewal, in the absence of any special agreement, operates merely as a conditional payment. If the renewal bill is paid in due course or otherwise discharged, the original bill is also discharged; but if the renewal bill is dishonoured, then the liabilities of the parties to the original bill revive and they may be sued upon it, except as to those parties who have not given their assent to the renewal bill.

An agreement to renew a bill means, in the absence of anything to the contrary, that a bill shall be given between the same parties for the same amount, for the same period as and commencing from the date of the expiration of the original bill. But evidence of a contemporaneous oral agreement to renew a bill cannot be admitted in an action upon the bill.

RENT. (Fr. *Loyer*, Ger. *Miete, Pachtzins*, Sp. *Renta.*)

A money or other payment made, or some service rendered or thing done, the value of which can be estimated in money, in return for the use of lands or tenements held of another. (See *Landlord and Tenant.*)

RENTAL. (Fr. *Etat de revenus*, Ger. *Zinsbuch*, Sp. *Lista de Rentas, cédula.*)

The sum total of the rents received on any property.

RENT DAY. (Fr. *Terme*, Ger. *Mietstag*, Sp. *Dia de pago.*)

The day upon which rents are payable.

RENTER. (Fr. *Locataire*, Ger. *Mieter*, Sp. *Rentero.*)

The person who is the holder of property by virtue of paying rent for the same.

RENTES. (Fr. *Rente*, Ger. *Renten*, Sp. *Renta.*)

The French equivalent for the British consols, though the name is also applied to the annual interest paid upon the national debts of Austria, Italy, and other foreign Governments. The purchaser of consols or rentes buys a right to claim an annual sum of money in perpetuity, and this right he may sell and repurchase as often as he pleases.

RENT ROLL. (Fr. *Etat de revenus*, Ger. *Zinsregister*, Sp. *Registro de rentas.*)

An account or schedule of rents and income arising out of landed property.

REPLEVIN. (See *Distraint.*)

RE-PURCHASE. 1. (Fr. *Racheter*, Ger. *Zurückkaufen*, Sp. *Recomprar.*)

The act of buying back again.

2. (Fr. *Rachat*, Ger. *Rückkauf*, Sp. *Recompra.*)

The goods which are bought back again.

REPUTED OWNERSHIP. (Fr. *Propriété putative*, Ger. *Anfechtbare Besitzrechte*, Sp. *Propriedad putativa.*)

In bankruptcy proceedings the property divisible amongst the creditors of the bankrupt includes not only that which is really vested in him at the commencement of the bankruptcy proceedings, but includes "all goods being, at the commencement of the bankruptcy, in the possession, order, or disposition of the bankrupt, in his trade or business, by the consent and permission of the true owner, under such circumstances that he is the reputed owner thereof; provided that things in action other than debts due or growing due to the bankrupt in the course of his trade or business shall not be deemed goods within the meaning of this section."

The doctrine of reputed ownership dates back to the reign of James I., and the object of it is to prevent the possible fraud upon creditors by a debtor being able to obtain credit to any extent by having in his possession the goods of another person under such circumstances that any ordinary person would imagine the goods to be his own. Still the doctrine has considerable limits.

The words "in his trade or business" are different from those in the section of the Bankruptcy Act of 1869, where the expression is "being a trader." Some judges have thought the two identical, but in one case it was held that this could not be so, and accordingly it was held that shares deposited with a banker to secure an overdraft by a person who traded as a stockbroker, silversmith, and watchmaker, were not within the order and disposition in his trade or business. Again, the words "in his trade or business" have been construed to mean that the goods must be in the order and disposition of the bankrupt for the purposes of or purposes connected with his trade or business. The business must be one carried on with a view to profit as a means of livelihood in order to make the section applicable, and it is not sufficient that a profit is made if the primary object is pleasure.

The term "goods" includes all chattels personal. But it has been held that it does not include lands, or interests in lands, houses, or things affixed to the freehold. And this is true even

though the tenant has a sufficient interest in the fixtures to enable the sheriff to seize them under a writ of *fi. fa.* issued against the goods of the tenant. Heirlooms and growing crops are not included. It appears that trade fixtures put up since the date of a mortgage, so far as they are affixed to the freehold, go with it to the mortgagee, and not to the trustee. *Choses in action* are also excepted.

For fixing the date when the doctrine arises the bankruptcy is deemed to commence at the date of the earliest act of bankruptcy proved against the bankrupt within three months preceding the presentation of the petition, and goods coming into the possession of the bankrupt after such act of bankruptcy have been held not to come within the section of the Act of 1883. So also goods in the possession of the bankrupt at the date of the act of bankruptcy will not pass to the trustee if they are removed before the making of the receiving order, provided the owner was not aware of the act of bankruptcy having been committed, and otherwise acted *bonâ fide*.

To bring goods within the order and disposition of a bankrupt they must be in the sole possession and sole reputed ownership of the bankrupt. In one case, therefore, it was held that where there were two partners, one of whom was an infant, and an act of bankruptcy was committed, the adult partner being adjudicated a bankrupt, the goods which were in the joint possession of the two partners as reputed owners did not pass to the trustee in bankruptcy.

The goods need not be in the actual possession of the owner himself, but constructive possession will be sufficient. The possession of a servant, of a depositor, of a depositee claiming a lien, of a lessee of a chattel, or of a carrier, is accounted the same thing as the possession of the bankrupt. It has been held that the possession of a pawnee is not the possession of the bankrupt pawnor, so as to bring the goods pawned within the statute, but it has been thought that this decision is open to doubt, and ought not to be relied upon as a safe authority.

Goods which are properly in the possession of the sheriff are thereby taken out of the possession of the bankrupt. This is all the more true if the true owner demands the goods of the sheriff. It is clear, however, that a seizure under a distress of goods, previously in the order and disposition of the bankrupt, takes them out of the statute.

The late Lord Selborne made the following remarks as to reputed ownership: "The doctrine of reputed ownership does not require any investigation into the actual state of knowledge or belief, either of all creditors or of particular creditors; and still less of the outside world, who are no creditors at all, as to the position of particular goods. It is enough for the doctrine if these goods are in such a situation as to convey to the minds of those who know their situation the reputation of ownership; that reputation arising by the legitimate exercise of reason and judgment on the knowledge of those facts which are capable of being generally known to those who choose to make inquiry on the subject. It is not at all necessary to examine into the degree of actual knowledge which is possessed; but the court must judge from the situation of the goods what inference as to the ownership might be legitimately drawn from those who know the facts. I do not mean the facts that are only known to the parties dealing with the goods, but such facts as are capable of being, and naturally would be, the subject of general knowledge to those who took any means to inform themselves on the subject. So, on the other hand, it is not at all necessary, in order to exclude the doctrine of reputed ownership, to show that every creditor, or any particular creditor, or the outside world who are not creditors, knew anything whatever about the particular goods one way or the other. It is quite enough, in my judgment, if the situation of the goods was such as to exclude all legitimate ground from which those who knew anything about the situation could infer the ownership to be in the person having actual possession."

As to evidence of reputed ownership, it may be said, generally, that nearly every kind of possession is some evidence of ownership, however slight, and in almost every instance where goods in the possession of the bankrupt have been held not to be within the section, the decision has rested rather on the ground that the facts negatived the consent of the true owner to the reputation of ownership than that the possession afforded no evidence, or insufficient evidence, of it. But in those cases where the bankrupt holds in any other right than his own, for example, as executor or trustee, the inference arising

from possession is negatived the moment the trust is proved, and it is for the trustee in bankruptcy to produce evidence to show that the bankrupt was allowed to deal with the goods or chattels in a manner inconsistent with his trust. It is to be observed that if the bankrupt deals with the trust property as his own without the consent of his *cestui que trust* or beneficiary, this, although evidence of a reputation of ownership, will not bring the trust property within the section, because the consent of the true owner, the *cestui que trust* or beneficiary, is by the hypothesis negatived. Again, it was held in another case that where the trust was altogether illegal the property did not, on the bankruptcy of the trustee, pass under the section to his trustee in bankruptcy, because the *cestui que trust* was incapable of giving consent.

The wording of the section is such that it is clear that for the doctrine to apply the bankrupt must have been in possession, at the commencement of the bankruptcy, with the consent of the owner. The true owner is the person who is entitled to either a legal or a merely equitable interest in the goods. For example, an equitable mortgagee is a true owner to the extent of his interest. So also is a *cestui que trust*, who may, and often does, act in such a manner as to render the possession of the trustee the possession of a reputed owner within the meaning of the statute. This is particularly the case where the *cestui que trust* himself is the creator of the trust, or chooses to leave the documents, etc., relating to the property in the hands of the trustee, or where no *bonâ fide* purpose for the trust can be shown, or where the trustees do not execute or know of the deed of trust or refuse to act.

As to the evidence of consent, that is a question of fact to be determined upon the circumstances of each case. Consent naturally pre-supposes knowledge and capacity to consent; for example, married women restrained from anticipation and infants cannot consent.

The customs and usages of trade may, however, be so notorious as to exclude the doctrine of reputed ownership in particular cases. A well-known authority on the law of bankruptcy writes as follows: "Some circumstances are of such frequent occurrence in cases of alleged reputed ownership, that it has come rather to be a matter of law than of fact what conclusion such circumstances justify. For instance, an established custom or course of trade, whereby traders have in their possession goods of which they are not the owners, negatives the consent to the reputation of ownership arising *primâ facie* from the possession of the bankrupt; and this even though the goods in question are in the warehouse of a third person to the order of the bankrupt, and no delivery order has been given by the bankrupt to the true owner before the commencement of the bankruptcy. Thus, where the debtors were agents for sale, and described themselves by a brass place on their business premises as 'merchants and manufacturers' agents,' it was held that the creditors had sufficient notice to exclude the operation of the reputed ownership section, and that goods of manufacturers in possession of the agents, in specie, at the commencement of the bankruptcy, and also proceeds of goods sold, belonged to the manufacturers. It is convenient that questions of custom should be tried by a judge and jury in the High Court, so as to settle the question in such a way that in future the courts will adopt the conclusion arrived at, the doctrine of reputed ownership being one which ought in particular trades to be carefully watched, and ought not to be extended, and the moment it is found that creditors ought not to rely upon the fact that goods are in the possession of their debtor, the court ought to be strict in saying that the property of one man shall not go to pay the debts of another.

"Goods made to order (where the property has passed to the purchaser), still remaining in the possession of the maker, either because they are unfinished or because the vendor has a lien, are *not within the section*. As to the amount and kind of evidence necessary to establish the custom, see *Ex parte, Watkins, re Couston*, L.R. 8 Ch. 520; *re Hill*, 1 Ch.D. 503; and *Ex parte Powell, re Matthews*, 1 Ch.D. 510; where it was held by the Court of Appeal that the custom of lending furniture was not so well known as to be taken judicial notice of, and also that such a custom to avail must be presumably known to the ordinary creditors. However, in a later case, which was that of a hotel-keeper, the Court of Appeal took judicial notice of the custom of hotel-keepers hiring their furniture. This the court will now always do, and the effect of the custom is absolutely to exclude the reputation of ownership by the hotel-

keeper as to all articles necessary for furnishing a hotel for the purpose of its being hired as such, and this whether or no the articles are in fact hired. . . The court will also take judicial notice of the custom for booksellers to have in their shops books for sale on commission. On the other hand, where the purpose and intention of the usage is to continue the reputation of ownership in the vendor, such a usage will not negative the consent of the true owner."

The proviso in the section as to the exclusion of *choses in action* will of course exclude such things as shares in joint-stock companies, policies of insurance, bills of exchange and other negotiable securities, and debentures. Trade debts will also be excluded by an absolute assignment. But an assignment is not complete until the various debtors have received notification of the rights of the assignee, when the debts cease to be in the order and disposition of the assignor.

The doctrine of reputed ownership has no application in the case of factors, who have merely the possession of goods. It is provided by the Factors' Act, 1889, that the owner of goods may recover the same from the factor, or his trustee in bankruptcy, before the sale or the pledge of the same.

As to the position of a banker in the case of bills entered short, see *Short-dated Bills*.

REQUEST NOTE. (Fr. *Permis de débarquer*, Ger. *Erlaubnisschein*, Sp. *Permiso de desembarco.*)

A special permit granted by the custom authorities to land perishable or other goods before the ship has reported and cleared.

RE-RUMMAGED. (Fr. *Visite de nouveau*, Ger. *wieder untersucht*, Sp. *Explorado nuevamente.*)

A ship is rummaged whilst discharging its cargo, and re-rummaged when taking in its export cargo.

RESERVE FUND. (Fr. *Fonds de réserve*, Ger. *Reservekapital*, Sp. *Fondos de reserva.*)

That portion of the profits of a business kept back to meet exceptional demands as they arise.

RESERVE PRICE. (Fr. *Prix minimum*, Ger. *Reservepreis*, Sp. *Precio de reserva.*)

The lowest price which a person is willing to accept for goods offered for sale by public auction or otherwise.

RE-SHIPMENTS. (Fr. *Rembarquement*, Ger. *Rückverschiffung*, Sp. *Reembarque.*)

Goods which, having been imported, are re-shipped or exported.

RESPONDENTIA. (Fr. *Prêt à la grosse sur marchandises*, Ger. *Respondentia, Bodmerei*, Sp. *Préstamo à la gruesa sobre mercancías.*)

A separate hypothecation of the cargo of a ship as a security for the repayment of money borrowed for the necessary cost of transmitting and forwarding the ship and its cargo to their destination. The repayment of the money is dependent upon the safe arrival of the ship in port. Respondentia is subject to the same rules as Bottomry. (See *Bottomry Bond.*)

REST. (Fr. *Réserve*, Ger. *Reservekapital*, Sp. *Reserva.*)

The reserve fund of a bank. In the weekly return of the Bank of England it signifies the balance of assets over liabilities.

RESTRAINT OF TRADE. (See *Contract.*)

RESTRICTIVE INDORSEMENT. (Fr. *Endos restrictif*, Ger. *beschränktes Indossament*, Sp. *Endoso restringido.*)

An indorsement sometimes put upon a bill of exchange limiting the negotiable character of the document either by depriving the indorsee of the power of further transfer, or giving him authority to deal with the bill only as directed in the indorsement; e.g., "Pay D. only," or "Pay D. for the account of X," or "Pay D. or order for collection."

A restrictive indorsement gives the indorsee the right to receive payment of the bill and to sue any party thereto that his indorser could have sued, but it gives him no power to transfer his rights as indorsee unless it expressly authorizes him to do so. When a restrictive indorsement authorizes further transfer, all subsequent indorsees take the bill with the same rights and subject to the same liabilities as the first indorsee under the restrictive indorsement.

RETAIL. (Fr. *Vente en détail*, Ger. *Detailgeschäft, Kleinverkauf*, Sp. *Venta al pormenor.*)

The sale of goods in small quantities, as opposed to wholesale.

RETAILER. (Fr. *Marchand en détail*, Ger. *Detaillist, Kleinhändler*, Sp. *Comerciante al por menor.*)

A person who sells goods in small quantities only.

RETAINER. (Fr. *Honoraire*, Ger. *Honorar*, Sp. *Honorario.*)

A contract between a solicitor and counsel, or between a lay client and a

solicitor, under which the counsel or the solicitor is engaged not to serve the opposing party in a particular lawsuit.

Another meaning of the word retainer is the right of an executor to keep back the amount of his own debt out of the legal assets of the testator which come into his hands in priority to any other creditor of the testator in an equal degree. The reason for this peculiar privilege is that an executor cannot sue himself, since he is in the position of representative of the deceased, and, therefore, any other creditor might obtain priority by means of a judgment and so prevent the executor receiving anything in satisfaction of his own debt in case the assets of the deceased were insufficient to meet all demands.

An executor may retain his debt, even though barred by the Statute of Limitations, unless he has already brought an action upon it during the lifetime of the testator and failed to obtain judgment. But he cannot retain a debt which is unenforceable by some statutory provision, e.g., the Statute of Frauds or the Sale of Goods Act.

RETIRE A BILL. (Fr. *Retirer une traite*, Ger. *einen Wechsel einlösen*, Sp. *Retirar una letra.*)

To withdraw a bill of exchange from circulation before it is due, either by one of the parties to the instrument buying it up and keeping it until maturity, or cancelling it at once. If the bill is retired by the acceptor, either at or after maturity, it is discharged, and all the remedies on the bill are extinguished; but if it is retired by any other person who is primarily liable upon it, all the remedies are retained intact.

A promissory note may be retired in the same way as a bill of exchange.

RETURNS. 1. (Fr. *Produit*, Ger. *Umsatz*, Sp. *Productos.*)

The amount of a merchant's sales *during a stated period.*

2. (Fr. *Rapport, statistique*, Ger. *Statistik*, Sp. *Estadistica de entradas.*)

The official report of any set of transactions.

REVENUE. (Fr. *Revenu*, Ger. *Staatseinkünfte*, Sp. *Renta.*)

This word is generally applied to the income of a state derived from duties and taxes. In a wider sense it means all earnings, profits, or other income derived from any source.

REVENUE ACCOUNT. (Rev. A/C.) (Fr. *Compte de revenu*, Ger. *Einnahmekonto*, Sp. *Cuenta del tesoro público.*)

In the transactions of a business concern the revenue account shows the income of the business on one side, and the expenditure chargeable against income on the other. It is distinguished from the capital account, which shows the subscriptions of the partners or shareholders on the one side, and the charges against capital on the other. In the case of a railway, whenever traffic commences, a new account, called a revenue account, is opened, which has no connection with the capital account. From this are drawn all payments for wages, rates, and taxes, coal, coke, oil, and similar expenses; also repairs of carriages and locomotives, maintenance of the permanent way, and general management. That which remains is the fund out of which the interest on debentures and the dividend to shareholders are paid.

REVERSION. (Fr. *Réversion*, Ger. *Anwartschaft*, Sp. *Reversión.*)

A right to property which will fall into the possession of some person after the expiration of a grant of the same for a limited period to another person, or on the occurrence of some particular event.

Strictly speaking, a reversion is the right to that portion of the property which has not been dealt with by the grantor, and which will return to him after the expiration of the time for which the grant has been made. For example, if a tenant in fee simple grants to another an estate for years or for life, the residue of the estate, that is the portion not dealt with after the time for which the grant was made, or after the death of the grantee, will return to the grantor, and so long as he is not in possession he will have the right to the reversion. When this reversion is granted to a third person it is called the "remainder," and the third person is called the "remainderman."

RHODESIA. Rhodesia has an area of 750,000 square miles, and is the region of South Africa, lying immediately to the north of British Bechuanaland, to the north and west of the Transvaal, and to the west of the Portuguese Dominions. The river Zambesi divides the country into Northern and Southern Rhodesia; the former consisting of the whole of the British sphere between the Portuguese settlements, German East Africa, and the Congo, except that part which, under the name of the British Central Africa Protectorate is under direct Imperial control;

Southern Rhodesia consists of Mashonaland and Matabeleland.

Communication is effected by means of public roads, of which nearly 2,500 miles have been already constructed, while the Bechuanaland Railway reached Bulawayo in 1897, and a line from Beira, through Umtali to Salisbury, has been constructed. There are 1,856 miles of telegraph, with 2,583 miles of wire, in Northern Rhodesia. The Transcontinental Company has extended its line from Blantyre to Karonga, at the north of Lake Nyassa, and southwards through Tete to Umtali, so that the capital of the Central Africa Protectorate is in direct communication with Cape Town and London, the extension to Karonga forming part of Mr. Cecil Rhodes' great scheme for a Cape to Cairo system. In addition to the foregoing, there are 182 miles of telephone, connecting the various forts of Matabeleland.

The soil and climate are well suited for European cereals and vegetables; while many trees, shrubs, and plants, peculiar to sub-tropical regions, may be cultivated. Fruit and other useful trees have been introduced. Tobacco, india-rubber, indigo, and cotton grow wild. The forests produce an abundance of hard timber, which is being extensively felled for building purposes. In addition to gold, silver, copper, coal, tin, plumbago, antimony, and arsenic have been discovered.

North of the Zambesi the country has scarcely been prospected, but coal has been discovered on the shores of Lake Nyassa. The North Charterland Exploration Company holds a grant of 10,000 square miles in the north, and its operations include trading, agriculture, and stock-breeding, while a new industry is springing up in fibre for rope-making purposes.

The seat of government is Salisbury, the capital of Mashonaland, the chief commercial centre being Bulawayo, the capital of Matabeleland.

Mails are despatched to Rhodesia every Saturday. The time of transit to Bulawayo is about twenty-two days. The cost of telegrams is 2*s.* 11*d.* to Northern Rhodesia, and 2*s.* 8*d.* to Southern Rhodesia.

RIDER. (Fr. *Annexe, codicille, allonge*, Ger. *Zusatz*, Sp. *Anexo.*)

An addition to a document after its completion, on a separate piece of paper, or an additional clause to a resolution or verdict.

RIG. (Fr. *Faire hausser* (or *baisser*) *les prix*, Ger. *den Markt schwänzen, Preise treiben*, Sp. *Hacer jugarreta.*)

Rigging the market is a Stock Exchange term, and means the forcing up of the price of any security without regard to its real value. It is usually effected by secretly buying up such a quantity of any security as will produce an artificial or a temporary scarcity, until the price (owing to the demand being greater than the apparent supply) is enhanced far above the real value of the security, thus enabling the "riggers" to re-sell their holdings at a forced profit.

RING. (Fr. *Ligue, coalition, bande noire*, Ger. *Ring*, Sp. *Liga, coalición.*)

A combination of capitalists formed for the purpose of raising the price of a certain commodity far above its real market value by withholding it from circulation.

ROAD, or ROADSTEAD. (Fr. *Rade*, Ger. *Reede, Ankerplatz*, Sp. *Rada, Abra.*)

A place where ships can ride at anchor at some distance from the shore.

ROD. (Fr. *Perche*, Ger. *Rute*, Sp. *Percha.*)

An English measure of length, containing 5½ yards or 16½ feet, or nearly 5 metres. Throughout many districts the word is used for pole or perch.

ROLLING STOCK. (Fr. *Matériel roulant*, Ger. *Betriebsmaterial*, Sp. *Material de explotación.*)

The stock of engines, carriages, waggons, trucks, cars of railway or tramway companies.

ROOD. (Fr. *Perche carrée, six ares*, Ger. *englische Rute Land*, Sp. *Medida inglesa de terrenos.*)

In land measurement, the fourth part of an acre, containing 40 square poles or perches, each of 30¼ square yards. A rood is almost exactly the tenth part of a hectare, or, more correctly, 0.10117 hectare.

ROUBLE. (Fr. *Rouble*, Ger. *Rubel*, Sp. *Rublo.*)

A Russian silver coin, of the value of 100 copper copecs, and having a circulating value of about 3*s.* 2*d.* sterling.

ROUMANIA. One of the Balkan States, formerly composed of Moldavia and Wallachia. Its area is 50,720 square miles, and its population is estimated at about 6,000,000. It is one of the most important grain producing countries in Europe, most of the grain being shipped from the Danubian ports. Minerals are said to abound, but only coal and petroleum are worked. The latter industry has made enormous strides. There are nearly 2,000 miles

of state railways opened. The capital is Bucharest, and the chief ports are Braila, Kustendjie, and Sulina.

Great Britain has a Consul-General at Galatz, and vice-consuls at Braila, Bucharest, Galatz, Kustendjie, and Sulina.

Mails are despatched to Roumania four times daily, and the time of transit is 3 days 11 hours. The cost of telegrams is 3½*d.* per word.

ROYALTY. 1. (Fr. *Redevance*, Ger. *Abgabe*, Sp. *Privilegio.*)

Dues paid by a person or company working a mine to the owners of the land for the privilege of working the ore, coal, etc.

2. (Fr. *Tantième*, Ger. *Patentgebühr.* Sp. *Patente.*)

Payment made to a patentee for the use of his patent.

3. (Fr. *Droits d'auteur*, Ger. *Anteil des Verfassers*, Sp. *Derechos de autor.*)

Allowances made by a publisher to an author for the privilege of publishing and selling his book.

RUMMAGING. (Fr. *Visiter*, Ger. *Zolluntersuchung*, Sp. *Pasar la visita.*)

This is the name given to the searching of a vessel by the officers of the Custom House, for the purpose of ascertaining that neither dutiable nor prohibited goods are concealed on board.

RUN ON A BANK. (Fr. *Demandes générales de remboursement immédiat*, Ger. *Bestürmen einer Bank*, Sp. *Retiro de fondos en caso de pánico.*)

This is the name given to an unusual demand for the repayment of deposits and the cashing of notes caused by fears that the bank is unable to meet its liabilities.

RUNNING DAYS. (Fr. *Journées de travail*, Ger. *laufende Tage*, Sp. *Días laborables y festivos.*)

A chartering term for consecutive days, including Sundays, the ship, therefore, not being limited to working days.

RUPEE. (Fr. *Roupie*, Ger. *Rupie*, Sp. *Rupi, moneda de la India inglesa.*)

A gold and a silver coin which is current in several parts of Asia and the islands of the Eastern Archipelago. Its value not only varies with the course of exchange, but is also different in different localities. In calculation, however, the silver rupee current in the East Indies may be taken as representing about 1*s.* 4*d.* sterling, the sicca rupee of account as 2*s.* 6*d.*, and the gold rupee as 29*s.* 6*d.* A lac consists of 100,000 rupees.

The weight of the rupee is 185 grains, and is the universal standard of weight, both for jewellers and as a multiple also for heavy goods.

RUPEE PAPER. (Fr. *Obligations indiennes*, Ger. *indische Schatzscheine*, Sp. *Pagarés de India.*)

A term given in the money market to the promissory notes of the Indian Government, these being exchangeable for so many rupees. They are called "enfaced paper" when bearing a clause to the effect that the dividend upon them can be collected by drafts on India by presenting the notes at the Bank of England. Or, if preferred, the drafts will now be posted to a person's private address, upon his signing and lodging the necessary form requesting the Bank to do so. The interest drafts, being convenient remittances to India, may be readily sold to money brokers at the current rate of exchange.

RUSSIA. *Position.*—The Empire of Russia comprises the whole of the eastern part of Europe, from the Arctic Ocean, in the north, to the Black Sea, in the south, and all the northern and central regions of Asia. This vast territory covers about one-sixth of the land surface of the earth.

Area and Population.—The area of the Russian Empire is nearly seventy times that of the United Kingdom, but the population is less than three and a half times as great.

Configuration.—The central region of the country is an extensive plateau, a thousand feet above sea level; and from this the land slopes gradually towards the Arctic Ocean on the north, and towards the Black Sea and the Caspian in the south. The Volga, the largest river of Europe, flows into the Caspian Sea: the Dnieper into the Black Sea. In the north, the river Dwina pours its waters into the White Sea.

Russia in Asia is partly separated from Russia in Europe by the Ural Mountains. The Siberian plain, which lies to the east of these, is partly covered with a thick black soil, on which grass and trees grow luxuriantly. Other and larger portions are altogether barren, and the whole tract is rarely visited. It includes plains, varying from a few feet to a thousand feet above the sea. Almost the whole of northern Asia, from the slopes of the Thian Shan, Altai, Sayansk, and Yablonoi Mountains, belong to this vast system of plains, across which many mighty rivers, such as the Obi, Yenisei and Lena run.

Rivers and Canals.—The numerous large rivers are generally navigable for part of the year at least. With the canals, which are also numerous, they furnish so extended a system of communication between the chief cities and industrial districts of European Russia that the building of railways has not pressed itself as a necessity upon the Government.

The Bersina Canal joins the Dnieper and the Dwina, and so unites the Black and the Baltic Seas. The Volga and the Neva, the Dnieper and the Niemen, and the Dnieper and the Bug, are also united by canals.

Railways.—Russia has more than 26,000 miles of railways, most of which are owned by the state. The chief lines radiate from Moscow, as a centre, to St. Petersburg, Vologda, Nijni Novgorod, Tumen, Saratov, Tsaritz, Vladikavkas, Odessa, and Warsaw.

The Trans-Siberian Railway connects St. Petersburg, on the Baltic, with Vladivostok, on the Pacific, and is the longest line of railway in the world.

The Central Asia, or Trans-Caspian Railway, runs from Usun-Aa, on the Caspian, to Samarkand, on the high road to India.

Climate and Soil.—Owing to the vast extent of the Russian Empire, it has many varieties of soil and climate. In the northern section, part of which lies within the Arctic Circle, the seas and the harbours are blocked with ice through a great part of the year. In the regions bordering on Germany, Austria, and Turkey, and lying between the Black and Baltic Seas, the soil is fertile, producing most of the cereals and vegetables common to other countries of Europe. The south-eastern portion of European Russia is occupied by the arid Steppes, or treeless plains.

Siberia has long been regarded as a bleak and barren region; but recent explorations have proved that the southern part of this territory, especially along the valley of the river Amoor, contains extensive grain-growing areas.

Productions.—A large part of the area of Russia is unfit for cultivation; and, of the arable land, only a small portion is under tillage; nevertheless, agriculture is the occupation of most of the people.

In the western provinces wheat, rye, barley, and oats are produced in large quantities. Rye, as well as millet and buckwheat, which are largely grown in the south, furnishes the principal food of the rural inhabitants. In recent years the cultivation of the potato has been introduced. Tobacco, the sugar-beet, hemp, and flax, are important crops. Cotton is raised in the Caspian provinces, and in Trans-Caucasia silk is produced.

Between the tundras, or half frozen marsh-lands of the north, and the treeless plains, or steppes of the south, the country is for the most part forest-covered. This vast woodland is dotted with thousands of villages, which, with their surrounding farms, occupy about one-tenth of the area. Timber is an important article of inland commerce, being the material used almost everywhere for house building and fuel.

The more important minerals of Russia are chiefly found in the region of the Ural Mountains. They include gold, platinum, copper, and iron. The iron, which is of excellent quality, is extracted from magnetic ores. Precious stones, especially emeralds and diamonds, are found in the same region. There are coalfields in the Polish provinces, in the districts about Moscow, and in the basin of the Donetz, and in the Ural Mountains, near Tiumen.

In Siberia, on the eastern slopes of the Ural Mountains, there are mines of gold, silver, iron, copper, lead, coal and salt. The Siberian deposits of graphite are the largest yet discovered, and in Trans-Caucasia are great petroleum fields.

Cattle, horses, and sheep are raised in great numbers in the southern provinces; and in all the agricultural districts swine are abundant.

The valuable fisheries of Russia are near the mouths of the rivers which flow into the Black Sea, the Sea of Azov, and the Caspian, sturgeon being the principal product.

Russia is not a great manufacturing country, the principal factory industries being spinning and weaving flax and hemp and tanning leather. "Russian leather" is a well-known product of the tanneries. In a few of the principal towns there are manufactures of silk, woollen, and cotton fabrics. Metal smelting and metal working are carried on in the Ural provinces. Sheet-iron is the principal finished product, and, in this manufacture, the Russians are unrivalled.

Commerce.—The foreign commerce of the Russian Empire is very great. The value of its imports exceeds 75 millions sterling, and that of its exports is just

80 millions sterling. Most of the trade is with the United Kingdom and Germany. Russia is the second principal wheat exporting country of the world, the United States ranking first.

The United Kingdom is an excellent customer, nearly all its purchases being articles of native produce.

The chief exports to the United Kingdom, amounting to nearly 18½ millions sterling, are :—

Articles.	*Millions £.*
Food	11
Timber	4½
Petroleum	6/10
Flax, hemp, wool, and bristles	2
Oil cake and seeds	1

On the other hand, Russia only purchases about 16 millions worth of British goods. The chief articles are :—

Articles.	*Millions £.*
Metals and metal goods	6½
Textiles	1¼
Coals	2
Herrings	¼
Chemicals	¼

Cities and Towns.—St. Petersburg, the capital of the Empire, is situated on the River Neva, at the head of the Gulf of Finland, an arm of the Baltic Sea. It is connected by railway and canal with all the principal producing districts, and it carries on one-third of the foreign commerce of the empire. Several of the manufactures of St. Petersburg are under the control of the Government. In these establishments beautiful tapestries, mirrors, and wares of crystal and porcelain are produced. Cotton and linen fabrics, and iron and steel goods are also made in St. Petersburg, which contains about a million and a quarter people. St. Petersburg is a modern city, having been founded in the year 1703 by the Czar, Peter the Great. A large part of it is built on islands in the delta of the Neva, and, for several months of the year, the river is frozen to a depth of five or six feet.

Moscow lies in the heart of Russia, and is the railway centre of the empire. It sends the produce of the interior to St. Petersburg for export, and distributes throughout the country the tea, silk, and other goods brought from Asia, as well as manufactured goods from Western Europe. Moscow has manufactures of iron, copper, silver, silk, and wool ; besides, there are sugar-renfieries, skin-dressing establishments, and chandleries. This beautiful city contains nearly a million inhabitants.

Warsaw, in the province of Poland, has railway communication with Germany, and carries on a great export trade in cereals and raw materials. It is larger than Glasgow.

Odessa, on the Black Sea, is the principal wheat shipping port of the Russian Empire ; wool, hides, and tallow, from the southern provinces, are also shipped here, and there are numerous flour mills. Odessa is connected by railway with the northern and western parts of Russia in Europe, and has steam communication with the ports of the Mediterranean, with the United Kingdom, and, through the Suez Canal, with India and China. Its population is less than that of Birmingham.

Lodz, a Polish city, is important for manufactures of cotton and woollen goods. The growth of this place has been remarkable, the population having increased five-fold within the last forty years. It has now nearly as great a population as Sheffield.

Riga, on the Baltic coast of Russia, near the mouth of the southern Dwina river, has manufactures of soap, glass, iron, cloth, leather, sugar, and tobacco. It does a considerable amount of shipbuilding, and exports flax, hemp, oil seeds, cereals, timber, and hides. Riga is larger than Belfast.

Kiev, on the Dnieper, is a busy city, having large sugar refineries and leather factories. It is about as large as Dublin, and is the great inland arsenal of the Empire.

Kharkov, a city with a population greater than that of Portsmouth, is noted for its great annual fair.

Tiflis, on the River Kur in Trans-Caucasia, manufactures silks, shawls, and carpets. It has also a very large caravan trade, and is the centre of commerce between Asiatic Turkey, Persia, and Europe. The road over the Dariel Pass to Vladikavkaz is the principal route across the Caucasus. Tiflis contains about as many people as Portsmouth.

Kazan, on the Volga, carries on a great trade with Siberia and Tartary, through Perm and Ekaterinburg.

Archangel, on the White Sea, at the mouth of the Northern Dwina, is a port for the trade of Northern Russia and Siberia. The traffic is chiefly in furs, fish, tallow, hides, iron, flax, and linseed. Shipping at this and the other northern ports of Russia is only possible during the summer season; for, during the winter, the rivers and harbours are obstructed by ice;

Astrakhan, in the delta of the Volga, exports the products of the Volga and Caspian fisheries, notably sturgeon. There are also manufactures of silk, cotton, and leather goods. The fine quality of fur known as Astrakhan is obtained from a kind of sheep found in Bokhara, a Central Asian province of the Russian Empire.

Tobolsk, in Western Siberia, near the Ural Mountains, standing on a tributary of the Obi River, does a considerable trade in grain, salt, timber, and fish.

Vladivostok, the chief Siberian seaport, and a fortified station of the Russian fleet, has some trade in furs, gold, and dried fish. It is the Pacific terminus of the Siberian railway. Its fine harbour is never closed by ice.

Annual Fairs.—A peculiar characteristic of the inland trade of Russia is the holding of annual fairs, at which merchants from all parts of the country meet and carry on exchanges of the wares of Western Europe and of Asia, as well as the products of different parts of the empire. The largest of these fairs is held at Nijni Novgorod, that is, Lower Novgorod, a town near the junction of the Oka with the Volga. This place is on a great trade route, where the metal and other wares of the north meet the produce of the fields of the south, the fish of the Caspian, the tea, cotton, and silk from Persia and the far East. The introduction of steam navigation on the Volga, on which, not far from Nijni Novgorod, the annual fair is held, has greatly increased its importance. The settled population of the town is about 50,000, but, at the time of the fair, the number is five times as great. Manufactured goods constitute a great portion of the trade; and the prices of many of the products of the empire, especially of cotton, wool, silk, and iron goods, are regulated by this fair. The total value of the exchanges effected here is estimated at £40,000,000 sterling. Other fairs are yearly held at Poltava and Kharkov, towns between the Dnieper and the Donetz.

Great Britain has consuls-general, consuls, or vice-consuls, in addition to the Consul-General and Translator at St. Petersburg, at Abo, Archangel, Baku, Batoum, Berdiansk, Björneborg, Cronstadt, Hensingfors, Kiev, Kerch, Libau, Mariupol, Moscow, Narva, Nikolaiev, Novorossiisk, Odessa, Pernau, Poti, Revel, Riga, Rostov, Sebastopol, Taganrog, Theodosia, Warsaw, and Windau.

Russia has a Consul-General in London, and consular representatives in each of the following places: Aberdeen, Belfast, Birmingham, Bristol, Cardiff, Chatham, Cowes, Dover, Dublin, Dundee, Exeter, Falmouth, Glasgow, Gloucester, Goole, Grimsby, Harwich, Hull, King's Lynn, Leith, Lerwick, Liverpool, Londonderry, Lowestoft, Milford, Newcastle-on-Tyne, Peterhead, Plymouth, Portland, Portsmouth, Queenstown, Ramsgate, Rochester, Southampton, Sunderland, Swansea, and Yarmouth.

Mails are despatched to Russia twice daily. St. Petersburg is 1,710 miles distant from London. The time of transit is 2 days 15 hours. The cost of telegrams is 5½*d.* per word. To Russia in Asia the cost of telegrams is 1*s.* and 1*s.* 3*d.* per word.

S. This letter is used in the following abbreviations :—

S, Dollars.
Scp., Script.
S/D., Sea damaged (grain trade).
S/N., Shipping note.
S.P., Supra protest.
S.S., Steamship.
Stg., Sterling.
Stk., Stock.

ST. HELENA. St. Helena, once a very important station, has been declining since the Suez Canal afforded a new and shorter route for steam navigation between Europe and the East. Jamestown, the only considerable place in the island, is a port of calling for sailing ships which follow the old route round the Cape of Good Hope. Its strategic importance as a coaling-station for the British navy has, however, lately been recognized, and modern fortifications, with heavy guns, have recently been constructed by the Imperial Government.

The area of St. Helena is forty-seven square miles, and the population of the island is under 6,000, one-third of the whole being settled in the capital.

Mails are despatched once a month. The distance of Jamestown from London is 4,480 miles. The time of transit is fifteen days. The cost of telegrams is 2*s.* 6*d.* per word.

SACK. (Fr. *Sac*, Ger. *Sack*, Sp. *Saco.*) A measure usually reckoned at half a quarter of corn, or four bushels.

SAGGING. (Fr. *Affaissement*, Ger. *weichende Preise*, Sp. *Aflojamiento.*) Lowering, drooping, or falling away. A sagging market is one in which prices are continually dropping or falling away.

SALARY. (Fr. *Appointements, salaire*, Ger. *Salär, Gehalt*, Sp. *Salario, Sueldo.*)

The periodical allowance or recompense made to a person for his pains and industry in another's business. A salary is usually computed at a certain annual amount, although payment may be made at frequent intervals, either quarterly or monthly. Weekly remuneration for services rendered is generally denominated wages.

In cases of bankruptcy the salary of a bankrupt, or a portion thereof, may be attached under the direction of the court for the payment of his debts; but a sufficient sum must be left for the support of the bankrupt and his family, and for the maintenance of his official position, if he holds one.

The salary of a clerk or servant for services rendered within four months before the making of a receiving order, or of a winding-up order, and not exceeding £50, ranks as a preferential claim under the Acts of 1888 and 1897, and must be paid in the case of a winding up order before even the claims of the debenture holders of the company.

SALE. (Fr. *Vente*, Ger. *Warenverkauf*, Sp. *Venta.*)

The law relating to the sale of goods has been codified by the Act of 1893. Until the Act was passed the law could only be gathered from a number of Acts of Parliament and a mass of cases decided in the courts. Now it is compressed into a statute of sixty-four sections.

The general law of contract applies to the sale of goods, such as offer and acceptance, the capacity of parties, consideration and the like.

A contract of sale of goods is defined as "a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a money consideration called the price."

By "property" is meant the complete ownership in the goods, the subject matter of the contract. It must be distinguished from the limited or special right which is sometimes granted to another person, and is called "possession."

The term "goods" includes all chattels personal other than *choses in action* and money. "It also includes emblements, that is, industrial growing crops, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale." "The goods which form the subject matter of the contract may be either existing goods, owned or possessed by the seller, or goods to be manufactured or acquired by the seller after the making of the contract of sale . . . called 'future goods.'"

Where there is a contract for the sale of specific goods, and the goods without the knowledge of the seller have perished at the time when the contract is made, the contract is void.

The definition of the term contract for sale includes both actual sales and agreements for sale. These two classes must be clearly distinguished. An agreement to sell—sometimes called an executory contract of sale—is a contract pure and simple, whereas a sale—sometimes called an executed contract of sale—is something more than a sale, as it includes a conveyance. The rights and obligations of the parties to the contract are not the same in a contract of sale as in an agreement to sell. Thus, where goods have been sold and the buyer is in default, the seller can sue for the contract price, but where there is an agreement to sell the remedy of the seller is an action for unliquidated damages. Again, if the seller breaks his contract in an agreement to sell, the buyer has no right to the goods themselves, but only a remedy in damages against the seller; whereas, if there has been a sale, not only is there a remedy in damages against the seller, but the goods may be recovered by the buyer. The distinction is very important in case the goods are destroyed, because when there has been a sale the loss falls upon the buyer, even though the goods have never been in his possession, while the seller must generally bear the loss under an agreement for sale.

Price.—In a contract of sale the price is generally fixed by the parties. But it is not absolutely necessary that the price should be fixed beforehand. It may be left to the valuation of a third person. If, however, the third person fails to make such valuation the contract of sale is void, unless there has been fraud on the part of one of the contracting parties, or unless there has been a part performance of the contract. When no price has been named, and no method of valuation agreed upon, the buyer must pay a reasonable price. What is a reasonable price will depend upon the circumstances of each particular case. It may or may not be in excess of the current market price.

When there is a transfer of goods by

one person to another, or by one part owner to another, without any price or consideration passing between the parties, the transaction is called a *gift*. An agreement to give is of no legal value. Unless the gift of goods is made by deed it is incomplete until delivery has been made to the donee. When the consideration for the transfer of goods is other goods the contract is one of barter. But if the consideration consists partly of goods and partly of money, it seems that the contract is a contract of sale.

Formation of the Contract.—Until the reign of Charles II. no formality was necessary as regards the contract for the sale of goods. The contract might have been made by deed or evidenced by writing, but an oral agreement was quite sufficient. The Statute of Frauds, however, enacted that all executory contracts of sale, where the price of the goods, wares, or merchandise was £10 or upwards, should not be allowed to be good—though judicial construction interpreted this as meaning unenforceable by action—unless there was some note or memorandum of the transaction made and signed by the party to be charged (or his agent), or unless there had been some act of part performance. Lord Tenterden's Act, 1828, extended this provision to the case of goods which were not in existence or not fit for delivery at the time of the making of the contract. By the fourth section of the Sale of Goods Act, 1893, the law upon the subject of the formation of the contract has been re-stated, though the section reproduces, in substance, the former statutory provisions together with the interpretations placed upon them by the court. The section runs as follows :—

"A contract for the sale of any goods of the value of £10 or upwards shall not be enforceable by action unless the buyer shall accept part of the goods so sold, and actually receive the same, or give something in earnest to bind the contract, or in part payment, or unless some note or memorandum in writing of the contract be made and signed by the party to be charged or his agent in that behalf.

"The provisions of this section apply to every such contract, notwithstanding that the goods may be intended to be delivered at some future time, or may not at the time of such contract be actually made, procured or provided, or fit or ready for delivery, or some act may be requisite for the making or completing thereof, or rendering the same fit for delivery."

Part payment and earnest are easy to understand; but it has not always been possible to arrive at the meaning of acceptance and receipt. "Acceptance" is not here used in the ordinary and popular sense of the word. By the Act it is declared that "there is an acceptance of goods within the meaning of this section when the buyer does any act in relation to the goods which recognizes a pre-existing contract of sale, whether there be an acceptance in performance of the contract or not." The subject is not free from doubt, and the safest guide to the present law is to be found in the case of *Abbott* v. *Wolsey* (1895), 2 Q.B. 97. There the defendant purchased a quantity of hay—there being no note or memorandum signed by him—and when it was delivered he took a sample and examined it. Thereupon he said: "The hay is not to my sample, and I will not have it." It was held, upon the facts, that there was evidence of an act done by the buyer in respect of the goods which recognized a pre-existing contract of sale, and that there had been a sufficient acceptance within the fourth section of the Sale of Goods Act.

The note or memorandum sufficient to supply the requirements of the Act is of the kind required generally in contracts which must be evidenced by writing. If it refers exclusively to the sale of goods, wares, or merchandise no stamp is necessary. The exemption from stamp duty, however, does not apply if the sale is by deed.

Caveat Emptor.—At common law there was no implied warranty or condition that the subject matter of a contract of sale was fit for any particular purpose. It was the duty of the buyer to make himself acquainted with the defects, if any, of the goods he was purchasing, and if he did not do so he had no remedy against the seller, except in the cases of misrepresentation or fraud. Now, however, the law implies the existence of warranties and conditions in certain cases, and in others various Acts of Parliament have been passed to exclude the common law rule. Nevertheless, subject to the provisions of the Sale of Goods Act and the other statutes passed upon the subject, there is still no implied warranty or condition as to the quality or fitness for any particular purpose of goods

supplied under a contract of sale. The purchaser must be on his guard.

Warranties.—A warranty is defined by the Sale of Goods Act as "an agreement with reference to goods which are the subject of a contract of sale, but collateral to the main purpose of such contract, the breach of which gives rise to a claim for damages, but not to a right to reject the goods and treat the contract as repudiated."

No particular form of words is needed to create a warranty, as every affirmation which is made at the time of the sale of a personal chattel is a warranty, if it appears to have been intended to be such. The best test to apply in deciding whether a statement is a warranty or not is this: "Did the seller who made the affirmation assume to assert a fact of which the buyer was ignorant?" If he did so, then he warranted. The warranty must be made at the time the contract of sale is entered into and must form a part of it, otherwise it is void for want of consideration. This is so even when the representation relied upon as a warranty is made before the sale.

Any representation which amounts to a warranty is called an express warranty, but the law now implies certain warranties as to title, quality, and fitness, unless they are expressly excluded by the terms of the contract, or unless the circumstances of the case show a different intention.

As regards title, it is implied that the seller has, in the case of a sale, a right to sell the goods the subject matter of the contract, or that he will have the right to do so under an agreement for sale at the time when the property is to pass. Thus, when a man exposes goods for sale in his shop, he impliedly warrants that he has a good right to sell them. It naturally follows from this that the seller also warrants to the buyer that the latter shall have quiet enjoyment of the goods, and that they are free from any charge or incumbrance in favour of third parties which are not declared, or which are unknown to the buyer, at the time of making the contract. But if, for instance, a man buys goods from a sheriff or a pawnbroker, knowing him to be such, he gets no warranty of title with the goods, but only a transfer to himself of such rights as the sheriff or pawnbroker possessed in them.

As regards quality or fitness, a warranty is implied, unless expressly excluded, in the following cases:—

(*a*) When goods are sold by a trader for a particular purpose, of which he is well aware, and it is shown that the buyer relies upon the skill or judgment of the seller, the goods must be reasonably fit for the purpose for which they are intended. This is so whether the seller is the manufacturer or not, but there is no implied warranty of quality or fitness if a specific article is sold under its patent or trade name. Thus, in an old case where a provision dealer had undertaken to supply a troop-ship with stores for a voyage, and had guaranteed that the stores should pass the survey of certain officers, it was held, in spite of the guarantee and the absence of an express warranty of their being fit for the troops on the voyage, that a warranty of fitness for the purpose for which they were intended must be implied. Similarly a carriage builder was held liable for damages caused by a defective carriage-pole, which was shown to be unfit and improper for the purpose for which it was intended.

(*b*) When the contract is for the supply of manufactured goods they must be of merchantable quality. And this warranty is not excluded by the fact that the goods are sold by sample. Thus, in one case, a firm contracted to deliver a quantity of shirtings according to sample. It was discovered that a certain quantity of china clay had been introduced into the fabric, and that therefore the shirtings were unmerchantable. No ordinary examination of the sample could have detected the presence of the china clay; and it was held that there was a right of action for breach of an implied warranty of merchantable quality.

(*c*) When the sale is by sample, in addition to the above-mentioned implied warranty that the goods are merchantable, there are added the two following:—

(1) The bulk shall correspond with the sample in quality.

(2) The buyer shall have reasonable opportunities for comparing the bulk with the sample.

(*d*) By the custom of a particular trade it may be shown that there is an implied warranty upon the sale of goods connected with that trade. This is entirely a question of evidence.

(*e*) By the Merchandise Marks Act, 1887, a warranty of genuineness is implied from a trade-mark or description.

(*f*) By the Fertilizers and Feeding Stuffs Act, 1893, the seller of manufactured or artificially prepared ferti-

lizers or feeding stuffs is bound to give a particular invoice to the buyer, and this invoice has the effect of a warranty of the statements contained in it. Also on the sale of an article for use as cattle food, there is an implied warranty by the seller that the article is fit for feeding purposes.

(*g*) By the Chain Cables and Anchors Act, 1894, on a contract for the sale of a chain cable there is an implied warranty that it has been properly tested and stamped.

Conditions.—A contract of sale is sometimes entered into subject to certain conditions. If the condition is a "condition precedent," that is, something to be done by one of the parties before the contract of sale is itself binding, the non-fulfilment of the condition gives the other party a right to treat the contract as void. But a condition may be so worded as to amount to a warranty, and in any case the purchaser may, if the contract of sale is subject to any condition to be fulfilled by the vendor, treat the breach of the condition as a breach of warranty, and not as a ground for the repudiation of the contract.

Transfer of Property.—It is important to determine the time when the property in the goods passes from the seller to the buyer, since the risk lies with the owner. Very frequently the time of the transfer of the property is not coincident with that of the transfer of the possession. In order to fix the time, the first thing to be done is to look at the intention of the parties. But if there has been no expression of intention, and if the facts of the case do not imply something to the contrary, the following are the rules to be observed :—

(*a*) Where there is an unconditional contract for the sale of specific goods which are ready for delivery, the property passes to the buyer when the contract is made. The fact that the time of payment or delivery is postponed is immaterial.

(*b*) Where there remains something to be done by the seller in order to put the goods into a deliverable state, or where the goods have to be measured, weighed, or tested, the property does not pass until the act required is done and notice of it has been given to the buyer.

(*c*) Where goods are delivered to the buyer on approval or "on sale or return," or on other similar terms, the property passes to the buyer as soon as he approves of them, or does some act showing his adoption of the transaction; and he will be presumed to have approved of the goods if he retains them, and gives no notice of rejection within a reasonable time.

(*d*) Where there is a contract for the sale of unascertained or future goods by description, and goods of that description in a state ready for delivery are unconditionally appropriated to the contract by either party with the express or implied assent of the other, the property in these goods passes at once to the buyer. Such an appropriation is made when the goods are delivered to a carrier for transmission to the buyer.

(*e*) Where there is a reservation by the seller of the right of disposal of the goods until certain conditions are fulfilled, the property in the goods will not pass until the conditions have been fulfilled, notwithstanding the delivery of them to the buyer, or to some other person on his behalf.

Transfer of Title.—If the goods are transferred by any other person than the owner or his agent, the buyer will not, except in so far as it is permitted by statute law, e.g., the Factors Act, acquire any greater right to the goods than that possessed by the transferor. The maxim of the law is that no one can give that which he has not got—*nemo dat quod non habet*—unless it happens to be a negotiable instrument; and therefore no one can transfer the ownership of goods when he himself has nothing more than the possession of them. The rightful owner can at any time follow the goods and demand restitution of them, without compensation, from a person who has bought them or had them transferred to him, whether value has or has not been given. The transferee must rely upon his own remedy, such as damages for breach of an implied warranty of title, against his immediate transferor.

The chief exception to the rule that a purchaser obtains no property in goods of which his transferor was not the owner is the case of the sale of goods in "market overt." This phrase signifies an open or public market. All shops in the city of London are market overt for the purposes of their own trades, and outside the limits of the city the name is applied to particular places which are set apart for a market by grant or by prescription. If then goods are purchased in market overt, the purchaser must act with the utmost good faith. Any suspicious

circumstances or secret dealing will destroy the privilege. And the benefit will be entirely lost if the goods are the proceeds of a felonious taking and the thief is afterwards prosecuted and convicted, for the property in the goods at *once revests in the original owner.*

The compulsory restitution of stolen property must often inflict considerable hardship upon an innocent purchaser. The Act of 1893 has made an exception in favour of a purchaser, whether in market overt or otherwise, of goods which have been obtained by the vendor *through means which do not amount to* larceny. If they have been obtained by what is known as false pretences, which is a misdemeanour, the purchaser is quite safe, even though the person who obtained the goods by false pretences is prosecuted and convicted.

The privilege of market overt does not apply to the sale of horses, which is provided for by special statutes.

A second exception shows the importance to the buyer of obtaining possession of the goods as soon as possible after the completion of the contract of sale, and the passing of the property in them to the purchaser. For when a person who *has sold goods remains in possession* of them, or of the documents of title to them, and then transfers the goods or the documents to a third person, the previous purchaser loses all title unless it is shown that the third person did not act in good faith, or that he was aware of the previous sale.

Another exception is the case of the purchaser obtaining possession of the goods, or of the documents of title to the same, under a sale or an agreement for sale, and transferring them to a third person without any notice of the existence of any lien or other right on the part of the original vendor. The third person *obtains the ownership of the goods,* as though the transfer had been made by a mercantile agent, as defined by the Factors Acts, and the original vendor is left to his own remedies against the original purchaser. (See *Hire Purchase.*)

Performance of the Contract.—It is the duty of the seller to deliver the goods, and of the buyer to accept and pay for them according to the terms of the contract of sale. Unless it is otherwise agreed, for example, if credit is to be given, delivery and payment are concurrent conditions, that is, the seller must be ready and willing to give possession of the goods to the buyer in exchange for the price, and the buyer must be ready and willing to pay the price in exchange for the possession of the goods.

Delivery signifies transfer of possession. In order to be effective such actual transfer does not require the physical handing over of the goods. The delivery of the key of a warehouse may operate as a delivery of the goods in that warehouse, and the transfer of bills of lading is a valid transfer of the goods named therein.

If no agreement has been made by the parties as to the place of delivery, there is no duty on the part of the seller to send or carry the goods to the buyer. It is quite sufficient for him to give the buyer reasonable facilities for taking possession of them. If, therefore, nothing is said as to delivery, it is implied that the place of delivery is the business house of the seller, if he has one, and otherwise his residence. When the parties agree that the goods are to be delivered by the seller to the buyer, delivery to a carrier is a sufficient compliance with this term of the contract, but notice of the fact must be given by the seller to the buyer, so that there may be an opportunity of covering any possible loss in transit by insurance.

When the goods are, at the time of the contract of sale, in the possession of a third person, there is no delivery unless and until such third person acknowledges to the buyer that he holds the goods on his behalf. This does not affect the right of delivery which may have passed by the transfer of a bill of lading or other document of title to the goods.

It is the duty of the seller to deliver the exact quantity of goods ordered. If he delivers either more or less the buyer has the option of refusing or of accepting them. If he accepts them, he must pay for the quantity accepted, whether more or less than the quantity ordered, at the contract rate.

The buyer is not bound, except by agreement, to accept delivery of the goods by instalments.

Lien of the Seller.—For any breach of the contract of sale the buyer and the seller have a personal remedy, the one against the other. But in addition to the personal remedy a seller has certain rights against the goods themselves, even though the property in them may have passed to the buyer, so long as the actual possession of them remains with the seller.

The first of these rights is "lien," or the right to retain. The seller of goods, who has not been paid, is entitled to retain possession until the price has been paid or tendered, when—

(1) The goods have been sold without any stipulation as to credit; or

(2) The period of credit has expired; or

(3) The buyer has become insolvent.

But the lien will be lost—

(1) If the goods are delivered to a carrier to be sent to the buyer, and the seller does not reserve the right of disposal; or

(2) If the buyer or his agent obtains possession of the goods; or

(3) If the right is waived by the seller.

Another right of the seller is that of re-taking possession of the goods under certain conditions whilst they are on their way to the buyer. (See *Stoppage in Transitu.*)

Right of Re-sale.—An unpaid seller has the right of re-sale when the buyer, within a reasonable time, refuses to pay for the goods or to tender their price.

It arises in three cases:—

(*a*) Where the goods are of a perishable nature;

(*b*) Where the seller has given express notice of his intention to re-sell, and the buyer does not tender the price:

(c) Where the seller has reserved to himself a right of re-sale in case of the default of the buyer.

Remedies of the Seller.—If the property in the goods sold has passed to the buyer, in accordance with the rules already stated, and the buyer either refuses to accept the goods when tendered to him, or to pay for them when they have come into his possession, the seller has a right of action, in the first case for damages for non-acceptance, and in the second for the price of the goods. The measure of damages for non-acceptance is the estimated loss which directly and naturally results from the buyer's breach of contract. This is ascertained, when there is an available market for the goods in question, by the difference between the contract price and the market or current price at the time when the goods ought to have been accepted. When an action for the price is contemplated no proceedings can be taken until the money is actually due. In certain special cases interest may be allowed in addition to the price of the goods.

A bill of exchange given in payment for goods operates generally as a conditional payment. If the bill is dishonoured at maturity the debt revives, and the seller may sue either upon the bill or upon the consideration for the sale.

Remedies of the Buyer.—When the seller wrongfully neglects or refuses to deliver the goods according to the terms of the contract, the buyer may maintain an action against him for damages for non-delivery. The measure of damages, as in non-acceptance, is the estimated loss which directly and naturally results from the seller's breach of contract. This is also ascertained in the same way as in the converse case of non-acceptance. But special circumstances may enhance the damages, especially if there is no available market in which the buyer can obtain similar goods, or if he has made known to the seller the fact that the goods are required for a particular purpose. Each case, however, will depend upon its own circumstances.

When the goods sold are of peculiar value the court may, if it thinks fit, order the seller to deliver the identical goods he has contracted to supply, that is, may decree what is called "specific performance," instead of condemning him in ordinary damages.

Where there is a breach of warranty by the seller, or where the buyer elects, or is compelled, to treat a breach of a condition on the part of the seller as a breach of warranty, the buyer is not entitled, merely by reason of such breach, to reject the goods, but he can set up the breach in diminution or extinction of the price, or he can maintain an independent action against the seller for damages for breach of warranty. In the case of breach of warranty of quality, the damage sustained is the difference between the value of the goods at the time of delivery to the buyer and the value they would have had if they had answered to the warranty.

As to sales by auction, see *Auction.*

SALE WARRANT. (Fr. *Warrant de vente*, Ger. *Verkaufsschein*, Sp. *Warrant de venta.*)

A warrant issued with a weight note when goods are sold for payment by a deposit at the time of sale, and the balance by a prompt date, to be exchanged for the actual warrant for the goods as soon as the balance of the purchase money has been paid.

SALVADOR, or SAN SALVADOR. One of the republics of Central America, formerly a member of the Central American Federation. It is bounded on

the south by the Pacific and on the north by Guatemala and Honduras. The area is 7,225 square miles, with a population of less than one million. The principal industry is agriculture, and the chief productions are coffee, indigo, sugar, and tobacco. The mines are said to be valuable, but they are very little worked. The capital is San Salvador.

Great Britain has a consul at San Salvador, and vice-consuls at San Miguel and Acajutla, whilst Salvador is represented in England by consular agents at Birmingham, Liverpool, London, Manchester, and Southampton.

Mails are despatched to Salvador every Wednesday and Saturday via New York and Panama. The distance of the capital from London is 5,700 miles. The time of transit is thirty-two days. The cost of telegrams is 3*s.* 6*d.* and 3*s.* 9*d.* per word.

SALVAGE. (Fr. *Droit de sauvetage*, Ger. *Bergelohn*, Sp. *Salvamiento.*)

The reward or compensation paid by the ship-owner, or by the owners of goods carried in the ship, for extraordinary services performed at sea, whereby the ship or the goods are saved from shipwreck or other loss.

To entitle the salvors to reward it must be shown that the work was performed voluntarily, that the ship or goods were saved from loss, and that without such services they would most probably have been lost. There is no claim for salvage for the mere saving of human life. The passengers and crew of the vessel saved, whatever their exertions may have been, and pilots are not, as a general rule, entitled to salvage.

The amount of salvage is determined, in case the parties cannot agree, by the Admiralty Division of the High Court of Justice.

The term salvage is also applied to

(1) Goods saved from the dangers of the sea (Fr. *objets sauvés*, Ger. *geborgene Güter*, Sp. *Objetos salvados.*)

(2) Property saved from a fire on land or sea. (Fr. *Objets sauvés*, Ger. *vom Feuer gerettete Waren*, Sp. *Objetos salvados.*)

SALVAGE LOSS. (Fr. *Perte sèche*, Ger. *Bergungsverlust*, Sp. *Pérdida neta.*)

A term used in marine insurance for the loss settled by underwriters after a certain sum representing the value of the goods saved has been deducted from the amount for which the goods were insured.

SAMPLE. (Fr. *Echantillon*, Ger. *Muster*, *Probe*, Sp. *Muestra.*)

A small portion of any kind of merchandise exhibited to show the quality of the whole.

By the Sale of Goods Act, 1893, it is enacted that in the case of a contract for sale by sample, there is an implied condition, (*a*) that the bulk shall correspond with the sample in quality; (*b*) that the buyer shall have a reasonable opportunity of comparing the bulk with the sample; and (*c*) that the goods shall be free from any defect rendering them unmerchantable, which would not be apparent on reasonable examination of the sample.

It is not sufficient if there is a sale by sample and description that the bulk of the goods shall correspond with the sample if the goods themselves do not also correspond with the description.

SAMPLING ORDERS. (Fr. *Ordres d'échantillonnage*, Ger. *Probierscheine*, Sp. *Ordenes de sacar muestras.*)

Documents issued by merchants, having goods stored at a dock warehouse, authorizing the warehouse-keeper to give samples.

SAN DOMINGO. This republic occupies the eastern part of the island of Hayti. The area is about 18,000 square miles, and the population about 650,000. The exports consist of valuable timbers, coffee, tobacco, cocoa, and sugar. The country is being opened up by railways. The capital is San Domingo.

Great Britain has a Vice-Consul at San Domingo, and San Domingo has consular representatives in this country at Cardiff, Glasgow, Leeds, London Manchester, and Nottingham.

Mails are despatched every Wednesday and Saturday via the United States. The time of transit is seventeen days. The cost of telegrams is 6*s.* 6*d.* per word.

SANS RECOURS. (Fr. *Sans recours*, Ger. *ohne Regress*, Sp. *Sin recursos.*)

Without recourse. This is a phrase sometimes used in the indorsement of bills and notes. When an indorser wishes to free himself from personal responsibility he adds these words to his signature. He then incurs no liability upon the instrument.

SCHEDULE. (Fr. *Inventaire, liste*, Ger. *Verzeichnis*, Sp. *Cédula.*)

A list or inventory. A document appended to or accompanying some other document or larger work, generally in the form of a list or catalogue, affording additional particulars as to some part of that other document or work, which cannot be conveniently inserted in the document or work itself.

SCILICET. That is to say ; to wit.

SCOTLAND. Scotland is that part of Great Britain situated north of the Cheviot Hills and the Tweed. Its area, including that of its numerous islands, is 29,820 square miles. Its extreme length is 288 miles and its breadth varies from 175 to 32 miles. The population of Scotland, in 1901, was 4,471,957.

Mountains.—The Highlands may be considered as one mass of mountains, but those bordering on the Lowlands, and extending from Oban to Aberdeen, are known as the Grampians. The most noted Highland peaks are Ben Attow, 4,000 feet ; Ben Dearg, 3,600 feet ; Ben Wyvis, 3,400 feet ; and Ben More, 3,200 feet.

The chief heights of the Grampians are Ben Nevis, 4,400 feet, the loftiest mountain in Britain ; Ben Macdhui, 4,300 feet ; Cairntoul, 4,200 feet ; Cairngorm, 4,100 feet ; and Ben Lawers, 4,000 feet.

The principal ranges in the Lowlands are :—

(1) The Sidlaw Hills, in Forfar ;

(2) The Campsie Hills, in Stirling ;

(3) The Pentland Hills, in Midlothian ;

(4) The Lammermuir Hills, between Berwick and Haddington ;

(5) The Cheviot Hills, on the border ; and

(6) A long range, bearing no general name, extending through the counties of Selkirk, Peebles, Dumfries, Ayr, Lanark, and Kirkcudbright, including the Lowther or Lead Hills.

Rivers.—Of the numerous rivers of Scotland, the Tay is the largest, and the Spey the most rapid. Scarcely any of them are navigable to any considerable distance from the sea ; and except the lower courses of the Clyde, the Forth, the Tay, and the Dee, none of them are important commercially except as salmon rivers.

Glasgow and Greenock are on the Clyde.

Leith, Kirkcaldy and Bo'ness are on the estuary of the Forth.

Dundee is on the estuary of the Tay.

Aberdeen is at the mouth of the Dee.

Lakes.—Most of the lakes of Scotland occupy the long and deep valleys excavated by the moving ice of the Glacial Age, and are called lochs. The chief of these are :—

Lomond, 45 square miles, between Stirling and Dumbarton ;

Awe, 30 square miles, in Argyleshire ;

Ness, 30 square miles, in Inverness ;

Shin, 25 square miles, in Sutherland ;

Maree, 24 square miles, in Ross ;

Tay, 20 square miles, in Perth.

Lochs Lochy and Ness are united by the Caledonian Canal, which joins Loch Linnhe at Fort William, and Loch Beauly at Inverness. Through this artificial waterway ships of 1,500 tons can pass direct from the Atlantic Ocean to the North Sea.

Geological Structure.—In the Highlands the rocks are generally very old and very hard, such as granite, gneiss, mica-slate, and the like. The granite generally rises into lofty peaks, on which, in many instances, gneiss and other hard metamorphic rocks abut or rest. In the Lowlands the rocks belonging to the older stratified formations are covered with coal measures, volcanic rocks, and old red sandstone. Stratified rocks, more recent than old red sandstone, occur only in a very few places, and in very limited areas.

Metals and Minerals.—The Coalfield of Scotland extends, with slight interruptions, across the Lowlands, from Fife Ness to Girvan, in Ayr ; the principal beds being near Dysart and Alloa ; in the vale of the Esk, near Edinburgh ; near the line of the Forth and Clyde Canal ; at Paisley, in Renfrewshire ; at Dalry, Kilmarnock, Girvan, in Ayrshire ; and in Fifeshire.

Granite is quarried in the neighbourhood of Aberdeen, at Kirkcudbright, and in Argyle, for building and paving purposes. The city of Aberdeen itself is chiefly constructed of it, and great quantities are sent to London, Liverpool and other places, to be employed in building bridges, docks, and other structures, in which unusual durability is a first consideration.

Slates of excellent quantity, for roofing, are quarried in Argyleshire. Sandstone slabs, for paving, are obtained in Caithness and Lanark, and also at Arbroath, in Forfar. A fine kind of sandstone is quarried in many places ; and, owing to the abundance of both sandstone and trap, both of which are well adapted for building purposes, little brick is used in Scotland.

The chief metals worked in Scotland are iron and lead. Iron is worked to a great extent in the counties of Lanark, Renfrew and Ayr. Lead is wrought in the Lowther Hills, between Lanark and Dumfries.

Soils.—The soils of Scotland are very diverse in character. On the comparatively level tracts much is composed of loam, resting on clay, or of diluvium,

or of alluvial clay washed down from the hills. Much level, as well as hilly ground is also covered by peat bogs, the remains of ancient forests. On the hills of volcanic rock in Renfrew, Lanark Dumbarton, Stirling, Fife, Perth, and Forfar, a light and very fertile soil is usually found. The Lowland Plains, especially Strathmore, the Carse of Gowrie and the Lothians, as well as the Dales—Clydesdale, Tweeddale, Annandale, and others—are very fertile.

The climate of Scotland, as compared with that of England, is cold, cloudy, and damp; although the temperature is not, as a rule, so extreme as that of southern Britain, seldom falling below 25° Fahrenheit, or rising above 65°, the annual average being from 45° to 47°. However, the summer is uncertain, and often includes several consecutive weeks of unsettled weather; but, on the other hand, the winters are rarely severe, and often include many agreeable days, or even weeks. The backward spring is the worst feature of the climate of Scotland.

Vegetable Productions.—Scotland was originally covered, to a great extent, by woodlands, but these were permitted to decay, until, in the last century, the country had become nearly bare of trees, the only patches being round the seats of the nobility and gentry. Within the last hundred years this state of things has been greatly changed, and extensive plantations have been formed in many districts to shelter the cultivated lands. These plantations consist chiefly of larch and fir, but the country also produces oak, ash, and elm in abundance.

Owing to the mountainous nature of the country only about one-third of the soil is fit for cultivation, and of this only one-half is arable land, the remainder being in pasture.

Farming was in a very bad state in Scotland until the middle of the eighteenth century. The Highlands, it is true, produced herds of the native small black cattle; and, in the Lowlands, the higher grounds were occupied, as now, by flocks of sheep; but there was little arable land, and that little was ill-cultivated, and comparatively unproductive.

Since that time the arable land of Scotland has been converted into farms for the advancement of agricultural science and practice in all its forms.

(1) The growing of turnips for the winter feeding of cattle has been in itself a remarkable improvement.

(2) Suitable rotations of crops have been followed, and this movement has been attended with much success.

(3) Old, cumbrous, and expensive modes of tillage, have been superseded by the light plough and cart.

(4) Draining has improved both the soil and the climate.

(5) Lime and bone manures have been extensively applied.

The oat, a hardy cereal, is still the chief grain of Scotland, and oatmeal is yet one of the chief foods consumed by the Scottish peasantry and the working people, as well as by the children of all classes. Barley forms a conspicuous article in the food of the common people, and is used largely in distillation. Wheat will not flourish further north than the Firth of Forth, except in very sheltered spots; and in the latitude of Aberdeen it will not ripen at all except at or near the sea level. Dornoch Firth must be considered the northern limit of successful wheat culture. Potatoes are raised in open fields, to a great extent, in Scotland, and are an important article of food.

Scotland formerly abounded in wild animals, particularly the wild boar, the wild ox, and the wolf. The wild boar has been extinct for ages; and the wolf has disappeared since the latter part of the seventeenth century. Of the primitive white wild cattle of the country a herd is preserved, as a curiosity, in the park of the Duke of Hamilton. Hares and rabbits everywhere abound, and foxes are not scarce.

Of birds of prey, the eagle, the falcon, and the owl are still found in the Highlands and the Hebrides, where also deer and wild game are abundant. Sea birds haunt the lofty and precipitous shores in vast numbers, their down and feathers constituting an article of commerce.

Domestic Animals.—The Lowland hills continue, as formerly, to be covered by extensive flocks, and sheep-farming has also been introduced into the Highlands. Although this change has extinguished the old cottier system, which came down from feudal times, black cattle are reared in as great numbers as ever. The Shetland Islands are noted for a breed of small ponies, much used in mines, and also for a race of sheep, with very fine wool. On the Cheviot Hills roam a breed of sheep, called Cheviots, and Clydesdale has a breed of noted draught horses.

Fisheries.—In Scotland herrings are cured under the supervision of the Board

of British White Herring Fishery, which brands the barrels with a certain mark, generally accepted in the markets as a guarantee of the quality of the contents. Nearly all the branded herrings are sent abroad, where they command a higher price than is paid for unbranded fish.

Scotland is the great home of the drift fishery for herrings, exporting about a million barrels of cured herrings annually to Germany, Russia, Ireland, Holland, and other countries.

Herrings are found all round the coast, but especially, from July to September, on the western shores of the Orkneys and Shetlands; on the Long Forties, off the coast of Aberdeen; to the east of the Hebrides, and in the Firth of Clyde. The principal ports engaged in this industry are St. Andrews, Dundee, Arbroath, Montrose, Stonehaven, Peterhead, Portsoy, Wick, Thurso, and Stornoway. Salmon are caught in the Tweed, the Tay, the Don, the Spey, and other rivers.

For manufactures, canals, railways, etc., see *United Kingdom*.

SCRIP. (Fr. *Certificat provisoire*, Ger. *Interimsschein*, Sp. *Certificado provisorio.*)

A Stock Exchange term contracted from "subscription." It is the provisional certificate of a person's shares in a joint-stock company or in a Government loan.

When the Government of a foreign country wishes to issue a loan, or when a public company needs to borrow money, the public are invited to subscribe by means of a prospectus. A subscriber who applies, if his application is successful, receives a letter of allotment, which is exchanged for scrip as soon as the subscriber pays the first instalment of the purchase money for the share or shares. A piece of scrip contains the number of bonds or shares taken up by the subscriber, a receipt giving the amount and the date of the first instalment paid by the subscriber, and the amounts and the dates of each instalment which remains to be paid. When the whole of the instalments are paid off the piece of scrip is exchanged for a bond or share certificate.

A scrip certificate, allotment letter, or other document entitling a person to become the proprietor of any shares in a joint-stock company requires if less than £5 an impressed penny stamp; above £5 a sixpenny stamp.

Scrip and share certificates are often used in the same sense by commercial men.

SCRIVENER. (Fr. *Notaire*, Ger. *Öffentlicher Schreiber, Notar*, Sp. *Notario, Escribano.*)

A person whose business is to put out money at interest for his clients, receiving a bonus or commission for the work. The commission is frequently spoken of as a "procuration fee."

SCRUPLE. (Fr. *Scrupule*, Ger. *Skrupel*, Sp. *Tercera parte de dracma.*)

A small weight of twenty grains.

SCRUTINEER. (Fr. *Scrutateur*, Ger. *Untersucher*, Sp. *Oficial de escrutinio.*)

A person who examines a thing closely. The articles of association of a company often provide for the appointment of a scrutineer to compute the votes of the members of a company in general meeting when a poll is taken. In the absence of any regulation the chairman may appoint a scrutineer or himself act as such with the approval of the members.

SCRUTINY. (Fr. *Dépouillement de scrutin*, Ger. *Wahlprüfung*, Sp. *Escrutinio.*)

An examination of the voting papers given in at an election for the purpose of correcting a poll; any close search or examination.

SEA LETTER. (Fr. *Permis de navigation*, Ger. *Seebrief, Seepass*, Sp. *Permiso de navegación.*)

(See *Ship's Passport*).

SEAPORT. 1. (Fr. *Port de mer*, Ger. *Seehafen*, Sp. *Puerto de mar.*)

A harbour on the seashore.

2. (Fr. *Ville maritime*, Ger. *Seestadt*, Sp. *Ciudad marítima.*)

A city or town situated near a harbour on the sea-shore.

SEARCHERS. (Fr. *Visiteurs*, Ger. *Inspektor, Untersucher*, Sp. *Inspectores, revisadores.*)

Customs' officers who taste, weigh, measure, and examine imported goods for the purpose of taxing those liable to duty, on their being landed from ships; or, in the case of exported goods, who watch over and certify to their regular shipment according to the prescribed routine.

SEARCH WARRANT. (Fr. *Mandat de perquisition*, Ger. *Haussuchungsbefehl*, Sp. *Orden de revisadores.*)

A legal document authorizing a search for stolen goods, or for the supposed concealed property of a bankrupt.

SEAWORTHY. (Fr. *Navigable*, Ger. *Seetüchtig*, Sp. *Navegable.*)

The fitness of a ship to undertake the particular voyage contemplated. Sea-

worthiness is an implied warranty in policies of marine insurance, except time policies, and in the contract for the carriage of goods by sea.

The warranty applies only to the time of loading and the time of sailing. After the ship has started upon the voyage there is no implied warranty that she will continue seaworthy during the voyage.

The presumption is that a ship is seaworthy, but, if she goes wrong very shortly after sailing, the assured will be called upon to show that it was from causes arising subsequent to the commencement of the voyage.

SECOND AND THIRD CLASS PAPER. (Fr. *Papier de seconde et de troisième classe*, Ger. *Wechsel zweiter und dritter Klasse*, Sp. *Letras de segunda ó tercera clase.*)

This signifies the bills of exchange, promissory notes, or other documents of the same kind, which are indorsed or guaranteed by merchants or others whose commercial standing is not of the highest.

SECRETARY. (Fr. *Secrétaire*, Ger. *Sekretär*, Sp. *Secretario.*)

The officer to whom the general management of the affairs of a public department or company is entrusted.

SECURED CREDITOR. (Fr. *Créancier assuré*, Ger. *sichergestellter Gläubiger*, Sp. *Acreedor garantizado.*)

A creditor who holds a security which will cover the amount his debtor owes him. Among these securities may be classed mortgages, deeds, bills of sale, a lien on goods, warrants, delivery orders, stocks and shares, or any other security which can be readily sold in the open market. But the holder of a bill of exchange or a promissory note is not a secured creditor, each of these documents being merely a personal engagement to pay the sum named therein. An exception arises when the drawer of a bill deposits goods or other property with the drawer as cover for the bill. On accepting the bill the drawee acquires a lien or a right over the goods deposited. If the drawee, having become the acceptor, fails before the bill falls due, or dishonours it at maturity, his lien upon the goods is determined and the goods are held at the disposition of the drawer. The same rule holds good where the drawer deposits security with the drawee as cover for the bill, and is then compelled to take it up himself because of the failure of the acceptor, for the drawer is entitled to the return of the securities or that part of them which have not been realized at the time of failure.

It is in cases of bankruptcy or the winding-up of joint-stock companies that the rights of a secured creditor come into prominence. If his security is valuable enough to cover the whole amount of what is owing to him, he cannot be a loser at all; and if it is of less value he is still more favourably placed than the unsecured creditors, who have no claims at all upon the securities deposited, and must rely upon the assets which are in existence after all the securities have been deducted.

There are three courses open to a secured creditor:—

(1) He may rely upon his security and not prove in the bankruptcy.

(2) He may realize his security, and then prove for any balance that may remain owing to him.

(3) He may surrender his security and prove for the whole debt.

As no creditor can receive more than 20*s.* in the £, and such interest as is allowed by the Bankruptcy Act, the security held by a secured creditor must be valued, and the trustee in bankruptcy can always, within certain limits, buy up the security at a valuation, and will generally do so if he is of opinion that the creditor is improperly depreciating the value of the property which he holds.

SECURITY. (Fr. *Effet, titre, valeur*, Ger. *Sicherheit*, Sp. *Seguridad, titulo, valor.*)

A document which gives the holder a right to property not in his possession. Securities include stocks, shares, bonds, dock warrants, bills of lading, insurance policies, and mortgages.

The object of a security is to give a certain right or interest to a creditor, whereby he is able to recover the amount of the debt which is owed to him more easily than by an action at law if the debtor is in default.

Goods may be transferred from one person to another by mere delivery for a consideration or by deed. They may also be safely handed over as a gift, and the property in them will at once vest in the transferee, provided there is no fraud in the transfer, and the gift is not made for the purpose of defeating creditors. And for a debt which is owing a creditor may take an equivalent in the form of goods. Also *choses in action* are assignable by the Judicature Act, 1873.

It is often extremely inconvenient, however, for a business man to divest himself of his goods by handing them over to a creditor absolutely. It may cripple his business, for the goods may form the most valuable part of his capital. It is, therefore, desirable that the debtor should remain in possession of the goods, and yet be able to borrow money upon the security of them. The lender may very naturally object to advance money and simply stand in the position of an ordinary creditor. He wants some security, that is, some right or interest in the goods made over to him, by which he can be assured that he will not be the loser in any event. This is effected by means of a mortgage, or a bill of sale. The legal ownership is, by such an instrument, conferred upon the lender, and if the borrower or creditor is in default, there arise certain rights which the creditor can exercise without any interference on the part of other ordinary creditors. The holder of such a security is called a "secured creditor," and even in the bankruptcy of the borrower he is in no way hampered by the trustee in the realization of the value of his security.

Again, the borrower may be willing to part with his goods for a short period, knowing that he has no pressing need of them. This is effected by means of a pledge. Here, however, the property or ownership remains with the debtor, although the possession is transferred to the creditor. But in certain cases the creditor has a right to sell the goods pledged.

If a creditor has in his possession goods lawfully acquired and is entitled to make certain charges for work or labour bestowed upon them or done in connection with them, he can retain the goods until his charges are paid. His security is the "lien" he has upon them.

The securities known as debentures are noticed elsewhere.

As distinguished from a security upon property, the term "personal security" simply indicates the right which one person has to sue another for the recovery of a sum of money which is due, and which the second person has undertaken to pay. A bond is one of the commonest kinds of personal securities.

SEIGNIORAGE or SEIGNORAGE. (Fr. *Seigneuriage*, Ger. *Schlagschatz*, Sp. *Señoreage.*)

The charge or deduction made by the master of the mint to cover the cost of coining gold and silver for the use of the public. Gold bullion is taken at £3 17*s.* 9*d.* per ounce, whilst an ounce of gold is of the value of £3 17*s.* 10½*d.* The seigniorage is, therefore, 1½*d.* per troy ounce. Silver is taken at its market value, no charge being made for its coining.

SEISIN. (Fr. *Saisine*, Ger. *Besitz-(ergreifung)*, Sp. *Posesión.*)

The occupation or possession of a landed estate.

SEIZURE NOTES. (Fr. *Notes de saisie*, Ger. *Beschlagscheine*, Sp. *Notas de apresión.*)

These are used when smuggled goods, liable to duty, or goods bearing fraudulent trade marks, are seized by the customs. The notes are filled in by the officer seizing the goods, and are left with the goods seized in a Government warehouse, the packages or goods being then marked for identification.

SELLERS OVER. (Fr. *Excès de vendeurs*, Ger. *mehr Angebot als Nachfrage*, Sp. *Vendedores en mayoría.*)

A market term, meaning that there are sellers but no buyers, or that there are more sellers than buyers.

SELLING OUT. (Fr. *Vente forcée*, Ger. *Ausverkauf*, Sp. *Deshacerse.*)

In most markets, if the purchaser has not taken up his securities from the seller on the due date, the latter can sell out against him, and the buyer is liable for all the expenses the seller may be put to in consequence of such nonfulfilment of contract.

SEMAPHORIC TELEGRAMS. (Fr. *Dépêches sémaphoriques*, Ger. *Semtelegramme*, Sp. *telegramas del semáforo.*)

Telegrams exchanged with ships at sea by means of semaphores established on the various coasts.

SEQUESTRATION. 1. (Fr. *Séquestre, séquestration*, Ger. *Sequestration*, Sp. *Secuestración.*)

The placing of any disputed property into the hands of a third person until the dispute is settled.

2. (Fr. *Séquestre, séquestration*, Ger. *sequestrieren*, Sp. *Secuestración.*)

The holding of the property of another until the profits pay the demands upon it.

3. (Fr. *Séquestre, séquestration*, Ger. *Beschlag*, Sp. *Secuestración.*)

The taking possession of the estate of a bankrupt in order to distribute it among his creditors.

SEQUESTRATOR. (Fr. *Séquestre*, Ger. *Sequester, Liquidator*, Sp. *Secuestrador.*)

The person to whom property is entrusted during a dispute.

SERVANT. (See *Master and Servant.*)

SERVIA. One of the Balkan States, situated in the north-west of Turkey, bounded on the north by the Danube. Its area is 19,050 square miles, and the population 2,314,153. Manufactures are almost unknown, and its chief exports consist of agricultural products. Most of its internal trade is carried on with Austria. The capital is Belgrade.

Great Britain is represented by a Vice-Consul at Belgrade, whilst Servia has consular representatives in this country at Liverpool, London, Manchester, and Sheffield.

Mails are despatched twice daily to Servia. The time of transit to Belgrade, which is 1,175 miles from London, is 2 days 9 hours. The cost of telegrams is 3½*d.* per word. Telegrams in code or cypher will not be accepted for Servia.

SET OFF. (Fr. *Compensation, Reconvention*, Ger. *Gegenforderung*, Sp. *Reconvención.*)

A defence set up by a person (in an action) upon whom some demand is made. It only arises in respect of mutual debts of a certain definite character, and the two debts must be due in the same right and between the same parties.

A set off is often spoken of and treated as though it were the same thing as a counter-claim. But this is not so. A set off is a statutory defence to an action; a counter-claim is a cross-action. The distinction is of importance in cases of debts in bankruptcy and in the winding up of companies, and it also affects the costs in an action.

Any defence of this kind, whether a set off or a counter-claim, must be specially pleaded, and in a county court five days' notice must be given of the intention of the defendant to rely upon the same.

SETTLEMENT. 1. (Fr. *Règlement de compte*, Ger. *Ausgleichung*, Sp. *Pago de Saldo.*)

The payment of an account or claim.

2. (Fr. *Douaire*, Ger. *Versorgung*, Sp. *Division de bienes.*)

The sum of money settled upon a woman at her marriage, with the object of making provision for her and the children of the marriage.

Where either of the parties to a contemplated marriage has, or is likely to have, any property of value, it is customary for a settlement to be made. By so doing the property comprised in the settlement is tied up for a certain period, and as marriage is a valuable consideration the settlement is good against the creditors of the parties, unless it is proved that the settlement is part of a fraudulent transaction.

If the settlement is made after marriage, what is called a post-nuptial settlement, the usual rule holds good as to settlements generally, viz., that all such settlements which are made within two years of the bankruptcy of the party providing the property settled are absolutely void, and that settlements made within ten years of the bankruptcy are voidable and will be declared void unless it is shown that the estate of the bankrupt was sufficient to pay the whole of his liabilities at the time of the making of the settlement, without including any of the property so settled.

There are two kinds of settlement, viz., strict settlements, which are only applicable to real property, and the use of which is practically confined to the owners of large landed estates, and settlements, by way of trust, which apply to both real and personal property.

The general scheme of a strict settlement is to give an estate for life to the husband, subject to the payment of an annual sum to the wife, known as "pin-money." Further provision is then made for an increased allowance to the wife after the death of her husband, in case she survives him. This provision is known as the wife's "jointure." After these the estate is given to the first and other sons of the marriage severally and successively in tail, with remainder to the daughters in tail, sometimes severally and successively like the sons, sometimes in common so as to divide the estate. There are, in addition, various powers given to the tenants in tail to raise sums for their own benefit, and to make settlements on marriage, and for the husband and the wife to charge certain sums for the portions of younger children. The powers given will depend to a great extent upon the source from which the property settled comes.

The general scheme of a settlement by way of trust is as follows. The property to be settled, whether coming from the husband or the wife, is conveyed to trustees, who are directed to hold it on these trusts: (1) to sell the property held in trust, if necessary; (2) to invest the proceeds of such sale in certain classes of securities; (3) to pay the income arising out of the husband's contribution to him for life, and after his death, to the wife for life if

she survives him; (4) to pay the income arising out of the wife's contribution to her for life, without power of anticipation, and after her death to the husband for life, if he survives her; (5) after the death of the husband and the wife to pay the capital to the children in such shares as the parents by deed, or the survivor of them by deed or by will appoints, otherwise equally amongst the children. It is generally stipulated that if there are no children, the property brought into the settlement by the husband shall go to his representatives, and that brought by the wife to her family, unless she otherwise appoints, such appointment, if made in the lifetime of the husband, being by will only. Since a will is revocable, a husband cannot thus get control over the property of his wife during her lifetime, even if she wishes to give it to him. A settlement generally contains powers for the parents, or the survivor of them, to take a certain portion of the capital of the settlement fund for the advancement or benefit of the children, and the law implies provisions for their maintenance and education during minority if the parents die whilst the children are under age.

A party to a contract, to make it absolutely binding, must not be a minor. There is an exception made in the case of marriage settlements. By the Infants' Settlement Act, 1855, infants not being under twenty if males, or seventeen if females, can, with the approbation of the court, make binding settlements of their real and personal estate in possession or otherwise on their marriage. The court may, under the same Act, direct a settlement of an infant's property after marriage, but it has no power to compel a ward of court to make a settlement.

Settlement Estate Duty.—When the property of a deceased person, upon which estate duty is chargeable, is settled by the will of the deceased, or has been settled by some other disposition, and passes to some person who has not the power of disposing of the same, a further estate duty, called the settlement estate duty, is levied upon the principal value of the settled property at the rate of one per cent. An exception is made, however, in the case of property where the only life interest, after the death of the deceased, is that of the husband or wife of the deceased. This duty is payable once only during the continuance of the settlement. (See *Estate Duty.*)

SETTLING DAY. (Fr. *Jour de règlement, jour de liquidation*, Ger. *Stich-* or *Zahltag*, Sp. *Dia de liquidación.*)

The third or last day of what is called the settlement upon the Stock Exchange, when all differences are paid and received, securities delivered and money obtained.

SHARES. (Fr. *Actions*, Ger. *Aktien*, Sp. *Acciones.*)

The equal portions of the capital of a joint-stock company.

SHARE BROKERS. (Fr. *Courtiers d'actions*, Ger. *Aktienmakler*, Sp. *Bolsistas.*)

The persons who arrange the dealings in railway or other shares between buyers and sellers.

SHARE CERTIFICATES. (Fr. *Actions, titres définitifs*, Ger. *Aktiencertifikate*, Sp. *Certificados de titulos.*)

These are documents issued by a public company to its shareholders, showing that the persons named therein are the holders of so many shares in the company. The numbers of the shares and the amount paid up are stated, and the certificates are under the common seal of the company.

The form of a share certificate is commonly as follows:—

"The C. D. Company, Limited.

This is to certify that A. B. is a registered holder of m shares of £n each, numbered p to q inclusive, in the above-named company, and that the sum of £x has been paid up on each of the said shares. Given under the common seal of the said company this 1st day of January, 1903."

A share certificate is *primâ facie* evidence of the title of a member to the share or stock comprised therein, and its issue is intended to facilitate dealings in the open market. It is, in fact, the proper, and the only, documentary evidence of title in the possession of a shareholder. It is necessary, therefore, that the directors of a company should exercise extreme care and caution in the issue of certificates, for if loss is incurred through any negligence or inadvertence, the company will, as a rule, be estopped from denying the accuracy of the statements set forth in them to a person who has acted *bonâ fide* and in reliance upon such statements.

The following are examples of estoppel taken from recent cases. A company, acting upon a forged transfer, which purported to be a transfer by A., a shareholder to B., issued a certificate to B. representing him to be the owner of the shares. Relying upon this certi-

ficate, a third person, C., purchased in good faith, and paid for, the shares specified in the certificate, and was in due course registered as the owner of them. Subsequently it was discovered that the first transfer was a forgery. Not only were the company compelled to restore the name of A. to the register, since his title could not be displaced by a forgery, but it was held that C. was entitled to damages for the removal of his name. The issue of the share certificate to B. was an estoppel binding them; they could not set up a defence that B. had no real title to the shares. In another case, A. bought shares on the faith of a certificate representing B. as the holder, and took a transfer from B. accordingly. The company had, in fact, issued the certificate to B. in pursuance of a forged transfer. They refused to register A. as the holder of the shares. It was held by the court that since A. had acted upon the faith of the certificate issued he was entitled to damages for the refusal to register, and that the measure of the damages was the value of the shares at the time of the refusal to register. In a third case a company issued a share certificate describing the shares named therein as being fully paid up, when in fact they were only partially paid up. It was held that a purchaser of the shares, who had relied upon the certificate, was entitled to assume that the shares were fully paid up, and that no further liability attached to him.

A share certificate requires no stamp, although it is a document under the seal of the company. But a scrip certificate or other document entitling any person to become the proprietor of any share of a company needs a penny impressed stamp.

If a certificate is lost, it is generally provided by the Articles of Association that a new certificate shall be granted on a proper indemnity being given by the shareholder.

A valid equitable mortgage of shares or stock may be effected by the deposit of the share certificate relating to the same.

SHAREHOLDERS. (Fr. *Actionnaires*, Ger. *Aktionäre*, Sp. *Accionistas.*)

The persons who have shares in a joint fund or property.

SHILLING. (Fr. *Schelling*, Ger. *Schilling*, Sp. *Chelin, moneda inglesa.*)

An English silver coin, equal to the twentieth part of a sovereign or pound.

SHIP. (See *British Ship.*)

SHIP BROKERS. (Fr. *Courtiers maritimes*, Ger. *Schiffsmakler*, Sp. *Corredores marítimos.*)

These are agents—a person or a firm—in a sea-port appointed by ship-owners to carry out and perform all the necessary transactions connected with the business of their vessels whilst they are in harbour, such as entering and clearing the vessels, collecting freights, chartering new freights, etc.

SHIP CANALS. (Fr. *Canaux navigables*, Ger. *Schiffahrtskanäle*, Sp. *Canals de navegación.*)

These are the canals which are made wide and deep enough to admit of the passage of large sea-going ships. Such are the Suez Canal, the Baltic Ship Canal, and the Manchester Ship Canal.

SHIP CHANDLERS. (Fr. *Entrepreneurs de marine, Fournisseurs de navires*, Ger. *Schiffslieferanten*, Sp. *Almacenistas de objetos navales.*)

Dealers in cordage, canvas, and other ship-furniture.

SHIP-LETTER. (Fr. *Exprès*, Ger. *Schiffsbrief*, Sp. *Vapor correo.*)

A letter forwarded by a private vessel, and not by one chartered by the Government to carry the royal mails.

SHIP-LOAD. (Fr. *Chargement, cargaison*, Ger. *Schiffsladung*, Sp. *Carga.*)

The cargo of a ship.

SHIP-MASTER. (Fr. *Capitaine marchand, Patron de navire*, Ger. *Kapitän*, Sp. *Capitan.*)

The captain of a merchant ship.

He must be a properly qualified person, according to sections 92–94 of the Merchant Shipping Act, 1894. His general duties include the provision of a competent crew and adequate equipment, due navigation and proper management of the ship, and every care of the interests of the owners. He must keep an official log and take charge of the ship's papers, all of which must be presented for inspection on a proper demand being made. He is invested with special disciplinary powers over all persons on board.

His duties, as far as the cargo is concerned, are to take it in as quickly as possible, to store it properly, and to sign the bills of lading for the goods which he has received on board.

Among his special powers as to the ship and the cargo are the transhipment of goods without risking the loss of freight, jettison, and the authority to bind the ship-owner by bottomry and respondentia.

SHIP MORTGAGE. (See *Mortgage, (Shipping).*)

SHIPMENT. (Fr. *Embarquement, chargement, expédition*, Ger. *Ladung, Verschiffung*, Sp. *Embarque.*)

The act of putting goods on board a ship, and also the name given to the goods themselves, when the property of the goods rests with the consignee.

SHIP-OWNERS. (Fr. *Armateurs*, Ger. *Schiffseigentümer*, Sp. *Armadores.*)

The persons who owns ships.

SHIPPERS. (Fr. *Expéditeurs, chargeurs*, Ger. *Verlader*, Sp. *Espedicionarios exportadores.*)

Those who place goods on board ships for transportation abroad.

SHIPPING BILLS. 1. (Fr. *Notes de drawback*, Ger. *Zollfreischeine*, Sp. *Notas de drawback.*)

Customs documents used in cases where drawback is claimed upon dutiable goods transhipped either for re-export or for use on board during a voyage.

2. (Fr. *Listes navales*, Ger. *Schiffslisten*, Sp. *Manifestos de embarque.*)

Documents giving particulars of the goods and the exporting vessel, used chiefly for statistical purposes.

SHIPPING CARDS. (Fr. *Bulletins des bâtiments en chargement*, Ger. *Verschiffungskarten*, Sp. *Lista de buques á cargar.*)

Cards issued by ship brokers to their customers, giving particulars of the ship, or ships, they are about to load, the loading berth, date of departure, etc.

SHIPPING NOTES. (Fr. *Notes d'expédition*, Ger. *Schiffszettel*, Sp. *Vales de buque.*)

These are documents which are addressed to the superintendent of the dock where a ship is lying, requesting that functionary to receive and ship certain goods named therein.

SHIPPING WEIGHT. (Fr. *Poids de la cargaison*, Ger. *Verschiffungsgewicht*, Sp. *Peso de cargamento.*)

The asserted weight of goods on their being put on board ship.

SHIP'S ARTICLES. (Fr. *Contrats d'engagement*, Ger. *Heuervertrag*, Sp. *Articulos de buque.*)

The agreement entered into between the master and the crew of a vessel, setting out the terms of the contract entered into by the parties as to wages, provisions, etc. Each member of the crew must sign the articles before the commencement of the voyage.

SHIP'S CERTIFICATE OF REGISTRY. (Fr. *Certificat de registration navale*, Ger. *Schiffspapiere*, Sp. *Abanderamiento de buque.*)

This is the certificate granted by the registrar on the completion of all the preliminaries required on the registration of a vessel. It gives the name, the build, and the tonnage of the ship, the names of the owner and the master, and it proves the nationality of the vessel.

As to the particulars required before a vessel can be registered as a British ship, see *British Ship.*

SHIP'S CLEARANCE INWARDS. (Fr. *Acquit*, Ger. *Klarierung*, Sp. *Despacho de Aduana.*)

Upon the arrival of a vessel in port the master reports his ship, cargo, and crew at the Custom House, and, on payment of tonnage dues, permission is given for him to unload. When the unloading is completed, and the ship has been rummaged, a certificate of clearance inwards is given.

SHIP'S CLEARANCE OUTWARDS. (Fr. *Congé*, Ger. *Verzollung*, Sp. *Permiso de salida.*)

When a vessel has taken her cargo on board, the outward-bound ship must obtain permission from the Custom House before she can be permitted to sail. Permission is only given when a full account of her cargo has been made and duly paid. This is called clearance outwards.

SHIP'S MANIFEST. (Fr. *Manifeste*, Ger. *Manifest*, Sp. *Manificsto.*)

This is a document giving a formal statement, for the use of the customs' authorities, of the ship, her cargo, and the names of the ports to which she is going.

SHIP'S PAPERS. (Fr. *Papiers de bord, Papiers de navire*, Ger. *Schiffspapiere*, Sp. *Documentación del buque.*)

These consist of the ship's certificate of registry, the manifest, the muster roll or articles, the charter-party and the bills of lading, the bill of health, and the log book.

It is of the utmost importance that these papers should be regular, complete, and in order, because international law requires that every merchantman shall carry a certain number of documents as evidence of her nationality and as proof of the real nature and destination of her cargo. This is especially so during the occurrence of hostilities when the ship does not belong to one of the belligerent nations.

Lawrence, in his *Principles of International Law*, says: "The exact form and number of these papers differ according to the law of the various maritime countries, but they must always be sufficient to fix the nationality of the

ship, her destination, and the ownership of the vessel and cargo. A list of the papers required by the law of each civilized state will be found in Manuals of Prize Law, issued by the naval authorities of the chief maritime nations and in some of the large works on international law. The absence of papers will justify detention by a belligerent cruiser, as will also the presence of false papers, or gross irregularities, omissions, or inconsistencies in the papers produced. What is technically called spoliation of papers has given rise to a difference of treatment among the prize courts of the leading naval powers. The phrase signifies the wilful destruction of documents by throwing them overboard during a chase, or by any other means. The British and American practice is to regard it as good ground for the capture of the vessel, but not necessarily good ground for condemnation. It affords a strong presumption of her guilt, but not a presumption which cannot be rebutted by evidence to the contrary."

SHIP'S PASSPORT. (Fr. *Permis de navigation*, Ger. *Schiffspass*, Sp. *Pasé de vapor.*)

A document given to the captain of a neutral ship in time of war, as his authority to proceed on a voyage, and also to prove the vessel's nationality. The document contains a full description of the vessel, her cargo and crew, the names of the captain and owner, her place of lading, port of registry, and the port of destination.

SHIP'S PROTEST. (Fr. *Déclaration, requête*, Ger. *Seeprotest, Verklarung*, Sp. *Protesta.*)

A solemn declaration made upon oath before a notary public, giving the particulars of the cause of any injury to the vessel, or damage to her cargo, for the satisfaction of the underwriters. Underwriters sometimes demand this document before adjusting a claim against them, and it then devolves upon the insured to obtain and to exhibit it.

SHIP'S REPORT. (Fr. *Mémento maritime*, Ger. *Schiffsbericht*, Sp. *Presentación á la aduana.*)

The master of every ship, whether laden or in ballast, must, within twenty-four hours after arrival from ports beyond the seas at any port in the United Kingdom, report his ship and answer all questions relating to the ship, cargo, or crew on a prescribed form.

SHIP'S STORE BOND. (Fr. *Contrat particulier de douane*, Ger. *Schiffsbedarfschein*, Sp. *Contrato particular del capitan.*)

A bond given to the customs by the master or owner of a vessel when dutiable articles are to be shipped as stores, for use on the voyage.

SHIP'S STORES. (Fr. *Vivres soumis aux droits*, Ger. *Schiffsbedarf*, Sp. *Víveres sujetos á impuesto.*)

The provisions necessary for victualling a ship. As a distinct term used by the customs, the meaning is confined to those articles on board which are liable to duty, such as wines, spirits, and tobacco, for which special regulations are made.

SHORT BILLS. (Fr. *Billets à courte échéance*, Ger. *kurzsichtige Wechsel*, Sp. *Letras á corta fecha.*)

These are bills, so classified and named by bankers, which have less than ten days to run; and the name is also applied to demand and sight-bills and to bills drawn for any period when within ten days of maturity.

Bills are often paid into a bank for the purpose of collection just before they become due, and it is a custom of bankers to "enter them short," that is, not to credit them at once to the customer, but to wait until they are paid.

Short bills, in the event of the bankruptcy of the banker between their deposit and maturity, do not pass to the trustee in bankruptcy under the reputed ownership clause. They are treated as goods in the hands of a factor.

SHORT LOANS. (Fr. *Prêts à courte date*, Ger. *kurze Darlehen*, Sp. *Préstamos á corta fecha.*)

Advances made for short periods at a fixed rate of interest.

SHORT OF STOCK. (Fr. *Baissier*, Ger. *Baissier, Tiefspekulant*, Sp. *Bajista.*)

An American term, equivalent in meaning to the word "bear"; speculators being said to be "short of stock" when they have sold what they do not possess.

SHORT SHIPMENT. (Fr. *Pas à bord*, Ger. *nicht an Bord, nicht geliefert*, Sp. *No á bordo.*)

Goods are said to be a short shipment when they are shut out of a ship, either accidentally or for want of room.

SHUT FOR DIVIDEND. (Fr. *Clôture pour dividende*, Ger. *für Verteilung der Dividenden geschlossen*, Sp. *Cerrado por dividendo.*)

An expression used when the transfer books of banks and joint-stock companies are closed to permit of the dividend warrants being prepared and issued.

SIAM. A state in the East Indies, situated between British India and the French possessions in the East. Its area is about 200,000 square miles, and the population is estimated at 6,000,000. Rice is the principal export. Teak cutting is a valuable and increasing industry, the wood being largely used in ship and house building in Europe. Gold and precious stones are found in considerable quantities. The foreign trade is largely in the hands of the Europeans, Great Britain having the greatest share. The capital is Bangkok.

Great Britain has consular representatives at Bangkok and Chiengmai, whilst Siam is represented in this country by a Consul-General in London.

Mails are despatched every Friday via Italy. The time of transit is about thirty days. The cost of telegrams varies from 3*s.* 9*d.* to 5*s.* per word, according to route.

SIERRA LEONE (BRITISH). This colony is situated on a peninsula on the west coast of Africa, to the north of Liberia. The length is rather less than 200 miles, and the area about 4,000 miles, exclusive of the protectorate in the hinterland. The population in 1901 was 76,655, of whom only 500 were Europeans. The inhabitants are almost entirely engaged in exchanging the products of the interior for European goods. The capital is Freetown, which is the headquarters of His Majesty's forces in West Africa, consisting of the West African Frontier Force. It is also an imperial coaling station.

The exports consist of palm oil, kernels, kola nuts, india-rubber, and ginger.

A railway from Freetown into the interior has been opened, and is being gradually extended.

Mails are despatched every Friday. Freetown is 3,078 miles from Liverpool, and the time of transit is thirteen days. The cost of telegrams is 4*s.* 6*d.* per word.

SIGHT BILLS. (Fr. *Billets à vue*, Ger. *Sichtwechsel*, Sp. *Letras á la vista.*)

Bills of exchange which are payable as soon as they are presented. No days of grace are allowed upon sight bills.

SINGAPORE. Singapore, the capital of what are known as the Straits Settlements, is situated on an island at the eastern extremity of the Straits of Malacca. The city has a population somewhat greater than that of Portsmouth, consisting mainly of Chinese and Malays. The excellent harbour may be approached from either direction without pilots, and the city has a sea frontage of six miles. Singapore has a fine system of docks, wharves, dry-docks, and warehouses. Owing to advantages of situation, the trade with neighbouring British possessions and in transit has a vast annual value, amounting to about 58 millions sterling. As a naval and military station Singapore is protected by a citadel and numerous fine batteries, while the neighbouring island of Penang is a great coaling-station. The exports of Singapore include all kinds of tropical produce and tin from the neighbouring settlements.

Mails are despatched every Friday via Italy. The time of transit is twenty-three days. The cost of telegrams is 3*s.* 4*d.* or 3*s.* 6*d.* per word.

SINKING FUNDS. (Fr. *Fonds d'amortissement*, Ger. *Amortisationsfonds*, Sp. *Fondos de amortización.*)

These are funds which are created by setting apart a certain proportion of the profits of a public company, or of the revenue of a Government, for the extinction of a debt or a loan, or for redeeming certain shares.

SKIPPING. (Fr. *Dépaquetage*, Ger. *Umpackung*, Sp. *Desempaquetaje.*)

A Custom House term for the temporary transferring of goods from one package to another, for the purpose of taring, etc.

SLEEPING PARTNER. (Fr. *Associé commanditaire, commanditaire*, Ger. *stiller Teilhaber, Kommanditist*, Sp. *Socio comanditario.*)

A partner who invests his money in a business, but takes no active part in the working of the concern. Such a partner, if his name appears in the firm or if he holds himself out as a partner, is equally liable with each of the working or active partners for the debts of the firm to the whole extent of his property.

SLIDING SCALE. (Fr. *Echelle mobile*, Ger. *gleitende Skala, Staffeltarif*, Sp. *Escala gradual.*)

A scale for fixing the rate of wages to be paid to workmen according to the rise or fall in the market value of the product of their labour. This is made clear by the following example. Suppose a workman, who is paid by a sliding scale, agrees to accept 10*s.* as a basis for producing a certain quantity of any commodity so long as it should fetch 30*s.* in the open market. If the market price rises or falls 5*s.*, his wages are proportionately increased or reduced, according to the scale agreed upon.

SLINGING. (Fr. *Frais d'élingue*, Ger.

Schlingengeld, Sp. *Gastos de eslingar.*)

A shipping term used in some ports, signifying a charge for putting the chains round the goods as they lie in craft alongside a ship, so that the vessel may hoist them on board. This charge is usually borne by the shipper.

SLIP. (See *Marine Insurance.*)

SLIPS. (Fr. *Cales*, Ger. *Stapel*, Sp. *Tira.*)

Platforms sloping downwards towards the water, upon which ships may be built, overhauled, or repaired.

SMALL BANKRUPTCY. (See *Bankruptcy.*)

SMUGGLING. (Fr. *Contrebande*, Ger. *Schmuggelei*, Sp. *Contrabando.*)

The fraudulent importation of dutiable goods, and the concealment of the same for the purpose of avoiding the payment of duty.

SOCIETY. (Fr. *Société*, Ger. *Gesellschaft*, Sp. *Sociedad.*)

The combination of a number of persons for the purpose of carrying on a business undertaking.

SOFT GOODS. (Fr. *Tissus*, Ger. *Wollenwaren*, *Baumwollenwaren*, Sp. *Paños.*)

Goods manufactured of wool or cotton, or of both.

SOLA. (Fr. *Seule*, Ger. *Sola*, Sp. *Sola.*)

Single, solitary. This term, as applied to a bill of exchange, denotes that there is but one copy of the bill in circulation, as distinct from a bill which is drawn in a set of two or three.

SOLICITOR. (Fr. *Avoué*, Ger. *Anwalt*, Sp. *Procurador.*)

A person who is duly admitted to the King's courts by the Master of the Rolls. Formerly the term solicitor was applied to those members of the profession who practised in the Courts of Chancery, and attorney to those who practised in the Common Law Courts; but the title of attorney is no longer in use and that of solicitor is the only one recognized.

Full information as to the duties and responsibilities of a solicitor is given in Mr. Poley's valuable work on the *Law Affecting Solicitors*, from which the following summary is taken.

A person desirous of becoming a solicitor must serve an apprenticeship or clerkship under articles, which is known as service under articles. The only persons exempt from such service are barristers of five years' standing and certain colonial solicitors. Service must be with a properly qualified solicitor. It is necessary for every person, unless otherwise exempt, to pass an examination before he can be articled, called the preliminary examination. The contract of service or articles must be in writing, and is usually signed by the parent or guardian of the clerk on his behalf and by the solicitor. The stamp duty on original articles is £80. The contract is required to be registered, and it must be produced to the Registrar of the Incorporated Law Society within six months of the date when it was made. The Registrar, on being satisfied as to its due execution, enters in a book the names and addresses of the parties, the date of the articles, and the date of the entry. The Registrar may, before making the entry, require a verification of the articles by statutory declaration or otherwise, as may be thought fit. A fee of 5*s.* is payable on registration. A certificate of having passed the preliminary examination, or any of the examinations exempting from it, must be produced, or satisfactory evidence that the person named in the articles is not required under the regulations for the time being in force to pass a preliminary examination. All certificates are returned with the articles. A premium is usually required by the solicitor of the clerk. This varies greatly according to the status and business of the solicitor.

Three years' service only is required of graduates in arts or laws of any of the universities of the United Kingdom (provided the degrees are not honorary), and of barristers of three years' standing. The same period only is required in the case of persons admitted and enrolled as writers to the signet or solicitors in the Supreme Court of Scotland, or members of the Faculty of Advocates. Clerks who have for ten years been *bonâ fide* engaged in a solicitor's office, on satisfying the examiners that they have faithfully, honestly, and diligently served as such are likewise entitled to the benefit of this exemption. Service for four years is permitted to persons who have passed certain examinations, full particulars of which can be obtained from the offices of the Incorporated Law Society, Chancery Lane.

The articled clerk, unless specially permitted to do so, may not engage in any business during his articles. If his master dies, becomes bankrupt, or is otherwise disqualified before the termination of the period of service, the clerk's articles may be transferred to another solicitor. The contract of

service may be determined by mutual consent.

There are three examinations to be passed by all clerks who are not exempted by reason of university or other qualifications—the preliminary, the intermediate, and the final. From the last of these there is no exemption except in the case of colonial attorneys of seven years' standing. The examinations are held four times a year. The fees payable are £2, £3, and £5 respectively, but half these fees only are charged on a second or a subsequent examination.

On passing the final examination the clerk is entitled to be admitted as a solicitor. He must give six weeks' notice at least before the first day of the month to the Registrar in writing, stating his place of abode, and the name or names and the place or places of abode of the person or persons with whom he has served under articles. Admission is granted by the Master of the Rolls, and the stamp duty payable on such admission is £25.

Every solicitor must take out an annual certificate, otherwise he is disqualified from practising. During the first three years the fee payable is £4 10*s.* for London and £3 for the country. Afterwards the yearly fee is £9 for every solicitor practising within ten miles of the General Post Office, and £6 for every country solicitor.

The High Court exercises a controlling influence over solicitors, as they are officers of the court. This jurisdiction is exercised in a summary manner by equitable or punitive orders, disobedience to which renders a solicitor liable to attachment. Thus, orders may be made enforcing the delivery up of documents to a client, the payment of money in accordance with an undertaking, and the delivery of a bill of costs.

Where a solicitor is guilty of professional misconduct an application may be made to the statutory committee of the Incorporated Law Society by affidavit, and the committee will hear and investigate the charges brought against the solicitor. They have full power either to dismiss the charge or to report for or against the solicitor. The report is then brought before a Divisional Court of the High Court of Justice, and the judges may punish the solicitor by striking his name off the rolls, or by awarding a lesser punishment. On a conviction for felony the solicitor may be struck off the rolls on the production of the certificate of conviction. No inquiry in this case is held by the statutory committee.

As a body solicitors are of the greatest use in advising the public as to their legal position and rights. It would not be possible for a layman to know how to act in cases of difficulty, unless he could obtain the opinion of a man who has made it his business for years to study the laws of the country. In many instances solicitors are both accomplished men of the world as well as sagacious counsellors, and their judgment can be safely relied upon. They are bound to preserve their clients' secrets, and an action will lie for the divulgement of them. They are liable for acts of negligence, but the standard by which it is measured is determined by the answer to the question: "Has the solicitor exercised the skill, diligence, or care that would reasonably be expected of a man in his own profession?" Whether an action will lie is very often a matter requiring careful judgment, and it is advisable if such is contemplated to take the opinion of counsel before commencing proceedings.

Solicitors are generally liable in contentious matters for the consequences of ignorance or non-observance of the rules of practice of the courts, for want of care in the preparation of the cause for trial, or in attendance thereon with witnesses, and for the mismanagement of so much of the conduct of the case as is usually and ordinarily allotted to their department of the profession. But, on the other hand, a solicitor is not answerable for error of judgment upon points of new occurrence, or of nice and doubtful construction, or of such as are usually entrusted to men in the higher branches of the law. He would be liable for not communicating a compromise offered to his client.

In general, he has an implied authority in matters of litigation to do all necessary things, but not to incur unusual expenses, such as paying special fees to counsel, employing shorthand writers during the trial of an action, or taking expensive journeys without first obtaining the authority of his client.

In non-litigious matters he is liable for not investigating the title to property when employed to do so, for failing to make necessary searches, and for omitting to give notices of equitable assignments. When employed to invest money on a particular mortgage, if he selects the mortgage himself he may be liable for negligence if the security is

insufficient, and he has not had the property valued. He is also bound to obey all lawful instructions.

When a solicitor is employed his employment is called a "retainer," which may be either verbal or in writing. The retainer constitutes the relationship of solicitor and client. The solicitor can throw up the retainer for a reasonable cause, but he must give a reasonable notice to the client. He cannot throw it up in an action on the eve of the trial. He is entitled to call on his client to provide him with funds for counsel's fees, witnesses, jury fees, stamps, etc., and he is bound to account to his client for all moneys he has received on his behalf.

A client may make an agreement with his solicitor for conveyancing as well as for litigious work, but in order to bind the client the agreement must be in writing, and signed by the client or by his agent on his behalf. The agreement must be reasonable. There is a difference in the agreements as to non-litigious and litigious work. In respect of the former the solicitor must sue if he wishes to recover, but the latter may be enforced by the order of the court. If there is no agreement, the solicitor must deliver his bill of costs before he can commence an action, and, unless the client is about to leave the country, a month must elapse between the delivery of the bill and the commencement of the action. The bill can be taxed either by the solicitor or by the client, but it cannot be taxed a year after its delivery by the client unless special circumstances are shown. What are the special circumstances which will enable the bill to be taxed after the year are determined by the judge or the master before whom the matter comes. Besides the client parties who are liable to pay the bill, such as mortgagees or lessees who have undertaken to pay the mortgagors' or lessors' costs, can obtain taxation, and so also can *cestuis que trustent*. After the bill has been paid taxation can only be obtained on special circumstances being shown, but no taxation can be had more than a year after payment.

The solicitor is remunerated for his work by the charges that he makes, which usually consist of items for the attendances of himself and his clerks. But largely in conveyancing matters he is remunerated under the Solicitors' Remuneration Act, where a scale is provided based on the price paid for the property by the purchaser, or the amount lent by a mortgagee, or the rent reserved by a lessor. If the business does not fall within the class of cases to which the scale applies, the solicitor charges in the usual way.

In addition to the bill which the solicitor delivers, he is bound to supply a cash account showing the amount he has received from his client. It is often a question as to whether items should be placed in the bill of costs or in the cash account, and the matter becomes of importance if the client is thinking of taxing the bill, for if an important item can be removed from the bill to the cash account, the bill may be reduced by one-sixth, which will throw the cost of the taxation on the solicitor. Thus, if the solicitor finds the amount that is paid to the revenue for estate duty, he must not include it in his bill, but place it in the cash account. Fees paid to counsel, even though the client finds the money, fees to witnesses, and jury and court fees are properly included in the bill.

The relationship of counsel and solicitor is one that requires consideration. If litigation is proceeding counsel must be instructed by the client through a solicitor, and the services of counsel are rewarded by an honorarium proportioned to the amount of money which is at stake, or to the importance of the issue. There is no legal liability imposed upon counsel either to the solicitor or to the lay client for negligence or non-attendance on a case; but if he is unable to attend personally he either returns the brief or provides a substitute. In important cases two counsel are usually briefed, a King's counsel, or leader, and a junior barrister. The junior draws the pleadings and prepares the case, but the conduct of it at the trial mainly falls to the leader, who opens, cross-examines the principal witnesses, and replies. The fees payable are regulated by etiquette, the junior requiring two-thirds of the fees paid to the leader.

Counsel are entitled to demand their fees when the brief is delivered, and respectable firms of solicitors usually make a point of delivering cheques at the same time that they deliver their briefs, especially when they are not personally known to the counsel they are employing. Counsel cannot sue for their fees, but if the client has paid the solicitor, and the solicitor fails to pay the fees to counsel, the solicitor is guilty of professional misconduct, which will render him liable to be suspended from

practice, or in extreme cases to be struck off the rolls.

A solicitor has a lien or a right to retain his client's papers and documents until his bill of costs has been paid, in fact he may use his lien as a weapon to enforce payment by embarrassing his client. He also has a right in some cases of actively enforcing his lien. There are two kinds of lien at common law, the retaining or passive lien, so called because the solicitor cannot actively enforce it, and the charging lien, which can be actively enforced. In addition, there is a right of lien which has been conferred by statute, and which is known as the statutory lien or charging order. This is better known and more commonly used than the charging lien, though there are many cases in which the former must be used if the solicitor desires the protection of the court. A large number of decisions have defined the nature and the extent of these various liens.

The statutory lien, or charging order, is obtained by a solicitor upon property recovered or preserved by his exertions, and he is entitled to apply to the court for an order charging the property recovered or preserved with the amount of his costs, and, if necessary, to apply to have his costs, charges, and expenses raised out of the property, whatever its nature, tenure, and kind may be. The right to this lien may be barred by failure to make an application for six years. In this respect it differs from the charging lien, which is not subject to the provisions of the Statute of Limitations. The charging order can be made on the interests of others than the actual client, where a benefit has accrued to them through the solicitor's exertions. It is treated on the principle of salvage. All conveyances and acts done to defeat the solicitor's right to a charge are void and of no effect against the charge, unless made to a *bonâ fide* purchaser for value without notice.

A solicitor is under certain disabilities in his relationship with his client. He cannot accept a substantial gift from his client beyond his fee. If he does so the client, or the client's executors if the client is dead, can obtain it back from the solicitor. To make such a gift irrevocable there must be a fixed, deliberate, and unbiassed determination that the transaction shall not be impeached after the influence arising from the existence of the retainer has ceased to exist. But the rule as to gifts does not apply to mere trifling things. Where the benefits derived by the solicitor are small, the court will not interfere to set the gifts aside upon the mere fact of the existence of the relationship of solicitor and client, and the absence of proof of competent and independent advice. There must be proof of *mala fides*, or of an undue or unfair exercise of influence. The rule as to rendering gifts invalid during the existence of the relationship of solicitor and client applies not merely to gifts made to the solicitor himself, but also to gifts made by the client to the solicitor's wife and children.

A solicitor may not take an unfair advantage of his client in the capacity of vendor, purchaser, or mortgagee, nor may he take a secret commission. In the case of purchases from a client, if the propriety of the transaction is questioned the solicitor must show that he has given all that reasonable advice to his client against himself which he would have given against a third person.

SOLVENCY. (Fr. *Solvabilité*, Ger. *Zahlungsfähigkeit*, Sp. *Solvencia.*)

The state of a person who is in a position to pay the whole of his debts in full.

SOLVENT. (Fr. *Solvable*, Ger. *solvent, zahlungsfähig*, Sp. *Solvente.*)

A merchant or other person is said to be solvent when he is able to pay the whole of his debts in full.

SOU. (Fr., Ger. and Sp., *Sou.*)

A French bronze coin, the twentieth part of a franc, equal in value to about one halfpenny.

SOUTH AUSTRALIA. South Australia joins the western boundaries of Victoria and New South Wales, comprising much of the arid region of the continent, the only inhabited portion being along the coast. Including North Australia, which is attached to it politically, the colony of South Australia is twice as large as France and Germany combined, or fifteen times greater than England and Wales. The population is even less than that of Queensland. This is, essentially, an agricultural and pastoral colony, wheat being the chief crop, although only six or eight bushels per acre are grown. Other grains are cultivated, while flax and hops are receiving special attention; and fruit and vine culture are becoming very thriving industries; but most of the crops depend upon irrigation. The only metal mined to any extent is copper; and, as in the other colonies, wool-growing is the most profitable business.

The imports from and the exports to

the United Kingdom consist chiefly of clothing and metal goods on the one hand, and of wool, skins, and metals on the other.

Adelaide, about as large as Leicester, is the capital, and the only port on the south coast of this colony. From this place a telegraph line extends across the continent for 2,000 miles through the wilderness to Port Darwin, on the north coast, where it connects with the cable to Singapore and London; and a railway is being constructed between these two points.

Mails are despatched to South Australia every Friday via Brindisi or Naples. There are supplementary services via Vancouver and San Francisco, but letters for these routes must be specially indorsed. Adelaide is 11,100 miles distant from London. The time of transit is thirty-one days. The cost of telegrams is 2*s*. 10*d*. or 3*s*. per word.

SOVEREIGN. (Fr. *Souverain*, Ger. *Sovereign*, Sp. *Soverano (moneda inglesa), libra.*)

A British gold coin, which is worth £1 sterling, and equal to about 25.22 francs, 20.4 Reichsmarken, and 25.22 pesetas.

SPAIN. *Position and Size.*—Spain, with Portugal, forms the large peninsula in which the continent of Europe terminates at the south-west. Spain itself lies between the Mediterranean Sea, on the east, and Portugal on the west. It is separated from France by the mountain range of the Pyrenees, and the Bay of Biscay completes the northern boundary. The area of Spain is nearly four times that of England, excluding Wales, but its population is considerably less than half that of the United Kingdom.

Climate, Soil, and Productions.—There are seven mountain ranges or ridges extending generally in an easterly and westerly direction. In the valleys of the southern sierras and the plains of the Mediterranean and Atlantic coasts, spring and autumn are delightful seasons, the winter is mild, and the summer tropical. In the interior districts, which form an elevated plateau, covering half the area of the kingdom, there are extremes of heat and cold.

The soil, where capable of cultivation, is generally fertile. In the north wheat, barley, and rye are plentifully produced, and timber is abundant. The cork-oak is cultivated in the Mediterranean coast country. Grain and wine are the chief products of the central region. In the south the vegetable products include cotton, rice, sugar, oranges, lemons, dates, and a great variety of other fruits. Flax, hemp, and the mulberry-tree are cultivated in many districts. The great majority of the people are engaged in agriculture, and vine culture is the leading field industry.

Domestic Animals.—The beasts of draught and burden are mostly mules and donkeys. Horses are not much used in Spain. Sheep-rearing has for centuries received much attention, and wool is an important article of export. Cattle, swine, and goats are also reared in large numbers.

Minerals.—There are deposits of iron, lead, copper, quicksilver, and tin. The principal iron mines are in the north. Large quantities of iron ore of fine quality are exported from Bilbao, on the northern coast. Almaden, in the south-central part, has the richest quicksilver mines in the world, except those at New Almaden, in California.

Manufactures.—In manufactures the country is backward. Most of the output of the mines is exported as raw material. There are cotton and silk factories at Barcelona. Woollen and linen goods are also manufactured, but there is no export trade in these products. The cutting and preparation of cork form an important industry in the province of Gerona, on the Mediterranean coast. Toledo, famous for centuries for its sword-blades, has still some manufactures of steel. Wine-making is the chief manufacturing industry, and wine takes the lead among the exports of the kingdom.

Means of Communication.—There are 6,000 miles of railway, all worked by private companies, but largely supported by Government guarantees. Owing to the mountainous nature of the country there are but few canals, and the rivers are navigable only for flat-bottomed boats. In the interior the carriage of merchandise is mostly by draught animals. The principal rivers take the direction of the mountain chains, which cross the country from east to west.

Commerce.—Much the greater part of the foreign commerce of Spain is with France and the United Kingdom.

The principal exports to the United Kingdom are ores of iron, copper, lead, quicksilver, etc., £7,000,000; fruit, £3,000,000; wine, esparto, and cork, £1,000,000. The chief imports from the United Kingdom are:—

Coal	£1,000,000
Metal Goods . . .	£1,000,000
Textiles	£850,000
Chemicals and Manure .	£900,000

Chief Cities, and Towns.—Madrid, the capital, is a city about as large as Manchester. Commercially, it is of little importance, and it has hardly any manufacturing industries.

Barcelona, on the Mediterranean coast, is the principal seaport. It is the second city in population, being about as large as Dublin. It manufactures and exports silk, woollen and cotton goods, and firearms.

Valencia, on the Mediterranean coast, is an important seaport about as large as Leicester. It has manufactures of silk, wool, glass, and tobacco, besides floor-tiles and hemp goods.

Malaga, on the south coast, is situated in a district famed for the production of raisins, and the sweet wine known as Muscatel. A large share of the raisins exported comes to the United Kingdom. The city is about as large as Aberdeen.

Cadiz, in the southern part, on the Atlantic coast, has a considerable export trade in wines, fruits, and olive-oil. There are glass-works and soap-factories at this place. Cadiz is about the size of Ipswich.

Seville, one of the most beautiful cities of Spain, is about as large as Sunderland. It is situated ninety miles inland, on the Guadalquivir. Iron wares, firearms, and porcelain are made here.

Colonies.—In the year 1898 a war broke out between the United States and Spain, because the latter country failed to maintain order in Cuba. From first to last the superiority of the States was apparent. The United States captured nearly all the Spanish colonies, Cuba and Puerto Rico in the West Indies, and the Philippine Islands in the East Indies. Since that time the Spaniards have sold the Caroline Islands to Germany; so that of the once great colonial empire Spain retains only the Rio de Oro Protectorate in the Western Sahara and the Canary Islands.

The Canary Islands in the Atlantic, off the north-west coast of Africa, are now chiefly famous for the production of cochineal.

Great Britain has a commercial *attaché* at Madrid, and consular representatives at Barcelona, Bilbao, Cadiz, Corunna, Fernando Po, Malaga, and Teneriffe. Spain is represented in the United Kingdom by consuls or vice-consuls at Aberdeen, Cardiff, Dublin, Glasgow, Liverpool, London, Newcastle-on-Tyne, Newport, and Swansea.

Mails are despatched to Spain twice daily. The time of transit to Madrid, which is 1,150 miles distant from London, is forty-six hours. The cost of telegrams is 3½*d.* per word, or 5½*d.* per word if sent via Marseilles cable. The postal authorities do not take any risk as to telegrams sent to Spain in code or cypher.

SPECIAL COMMERCE. (Fr. *Commerce spécial*, Ger. *Spezialhandel*, Sp. *Comercio especial.*)

This includes only the imports which are intended for home consumption, and the exports which are for the most part produced in the exporting country.

SPECIAL INDORSEMENT. (Fr. *Endos spécial*, Ger. *ausgefülltes Giro*, Sp. *Endoso especial.*)

An indorsement upon a bill of exchange or other document stating the name of the person to whom the bill, etc., has been transferred.

A bill of exchange when specially indorsed is payable to the indorsee therein designated, and can only be negotiated by his indorsement. If a special indorsement follows an indorsement in blank, the former controls the effect of the latter.

SPECIAL SETTLEMENT (Fr. *Jour de liquidation spéciale*, Ger. *besonderer Abrechnungstag*, Sp. *Dia de liquidación especial.*)

It is the custom on the Stock Exchange, when a stock is first admitted to a quotation, for the committee to fix a day upon which the first settlement of all prior dealings with the stock are to be made. This is called the "special settlement" day.

SPECIE. (Fr. *Espèces*, Ger. *Metallgeld*, Sp. *Especias.*)

Something in its own form and essence. The name is generally applied to gold and silver coin in contradistinction to bills and notes.

SPECIE PAYMENTS. (Fr. *Payements en espèces*, Ger. *Zahlungen in barem Geld*, Sp. *Pagos en especias.*)

Payments in coin or bullion as distinguished from payments made in an inconvertible paper currency.

SPECIE POINT. (Fr. *Point d'exportation en numéraire*, Ger. *Metallpunkt*, Sp. *Cotización metálica.*)

This signifies the price above the par of exchange at which it is cheaper to transmit bullion than to buy bills. For example, the mint par of exchange between London and Paris is 25.225. When the French exchange rises to 25.10

it is cheaper to send gold from England to France; but when the exchange falls to 25.35 it is cheaper to ship gold from France to England.

SPECIFICATION. (Fr. *Spécification, devis*, Ger. *Specifikation, Einzelaufführung*, Sp. *Especificación.*)

A detailed account of anything. In a commercial sense it means full particulars of certain goods required, or work to be performed, as supplied to contractors or others, so that they may estimate the cost of the same, or as supplied by contractors, stating fully the terms upon which they are willing to supply the goods or do the work.

SPECULATION. (Fr. *Spéculation*, Ger. *Spekulation*, Sp. *Especulación.*)

This is a commercial term of rather wide signification, and means primarily the expenditure of capital with a view to profit. In this sense the establishment of any new business is a speculation. In a more restricted sense it conveys the idea of hazard and risk, and is generally understood to signify the purchase of stocks, shares, or commodities with the intention of re-selling the same, and so to make a large profit in a short time. It also indicates the risking of a small sum in the anticipation of realizing a large return.

SPITS. (Fr. *Broches*, Ger. *Untersuchungseisen*, Sp. *Agujas.*)

These are articles used by officers of customs for the purpose of examining goods in rolls, bales, etc., to see that no dutiable articles are concealed in them. Some are made of wood, like a paper knife, others are long, pointed pieces of wire or steel, so as to be easily inserted into the article to be examined.

SPOT. (Fr. *Sur place*, Ger. *Lokoware*, Sp. *En plaza.*)

This means that goods are on the spot ready for delivery.

SPREAD. (Fr. *Double privilège*, Ger. *Stellagegeschäft*, Sp. *Doble privilegio.*)

The American term for a "put and call," when the price at which the stock can be "put" is higher or lower than the price at which it can be called, or *vice versâ.*

STAG. (Fr. *Loup*, Ger. *Schleppspekulant*, Sp. *Corredor zurupeto que compra y vende sin ser autorizado.*)

An expression used on the Stock Exchange to signify a person who applies for shares in any new company with the sole object of selling them as soon as a premium is obtainable, and never intending to hold or even fully subscribe for the shares. Another name for a stag is "premium hunter."

STALE CHEQUE. (Fr. *Vieux chèque*, Ger. *alter Check*, Sp. *Cheque caducado.*)

A cheque which has remained unpaid for a considerable time, either through delay in presentation, or from any other cause.

A person who takes a stale cheque does so at his own risk. For example, if the holder of a cheque does not present it within a reasonable time (when it would have been paid), and the banker becomes bankrupt, the drawer is discharged, but the holder is able to prove against the banker's estate for the amount of the cheque in the place of the drawer.

STAMP DUTIES. (Fr. *Droits de timbre*, Ger. *Stempelsteuer*, Sp. *Derechos de timbre.*)

These are taxes imposed upon the parchment or paper on which many legal documents are written. An unstamped document has no legal force, but in most cases [illegible] of exchange, bills of [illegible] executed in the United Kingdom, proxies, and voting papers) instruments requiring stamps may be stamped subsequently to execution on payment of the proper stamp duty and a certain additional sum by way of penalty.

An agreement, or memorandum of agreement, under hand, must be stamped within fourteen days, and a deed within thirty days, of the date of execution of the instrument.

In most cases an impressed stamp is required, but an adhesive stamp may be used in the following:—

Agreements liable to a duty of 6*d.*

Bills of exchange payable on demand.

Certified copies of or extracts from registers of births, etc.

Charter-parties and bills of lading.

Contract notes where the amount is less than £100.

Delivery orders.

Leases of dwelling houses, or parts thereof, furnished or unfurnished, for any definite period not exceeding a year, where the rent is not more than £25 for a furnished, and £10 for an unfurnished, house.

Letters of renunciation.

Notarial acts.

Policies of fire insurance.

Protests of bills of exchange.

Proxies, where the duty is 1*d.*

Receipts.

Voting papers.

Warrants for goods.

The following is a list of the principal stamp duties:—

	£	s.	d.
Affidavit, or statutory declaration	0	2	0
Agreement, or memorandum of agreement, under hand, not otherwise charged	0	0	6
Agreement for lease of a furnished house for less than a year, the rent not exceeding £25	0	2	6
(Agreement for lease, other than the above, same as lease.)			
Appointment of new trustee	0	10	0
Appraisement or valuation of any estate or effects where the amount of the appraisement does not exceed £5	0	0	3
Not exceeding £10	0	0	6
Ditto £20	0	1	0
Ditto £30	0	1	6
Ditto £40	0	2	0
Ditto £50	0	2	6
Ditto £100	0	5	0
Ditto £200	0	10	0
Ditto £500	0	15	0
Exceeding £500	1	0	0
Apprenticeship indentures	0	2	6
Articles of Clerkship to solicitor:—			
In England or Ireland	80	0	0
In Scotland	60	0	0
Award, where the amount or value of the award does not exceed £5	0	0	3
Not exceeding £10	0	0	6
Ditto £20	0	1	0
Ditto £30	0	1	6
Ditto £40	0	2	0
Ditto £50	0	2	6
Ditto £100	0	5	0
Ditto £200	0	10	0
Ditto £500	0	15	0
Ditto £750	1	0	0
Ditto £1,000	1	5	0
Exceeding £1,000, and in all other cases not provided for	1	15	0
Bill of lading	0	0	6
Bills of Exchange (inland bills)—			
When payable on demand (or within three days after date or sight), for any amount, or when the amount does not exceed £5	0	0	1
Exceeding £5, and not exceeding £10	0	0	2
Ditto £10, Ditto £25	0	0	3
Ditto £25, Ditto £50	0	0	6
Ditto £50, Ditto £75	0	0	9
Ditto £75, Ditto £100	0	1	0
When the amount exceeds £100, 1s. for the first £100, and an additional 1s. for every fractional part of £100.			
Foreign bills of exchange drawn out of the United Kingdom, but payable in the United Kingdom, are stamped in the same manner as inland bills.			
Foreign bills of exchange drawn and expressed to be payable out of the United Kingdom, but indorsed, negotiated, or actually paid within the United Kingdom, are stamped as inland bills when they do not exceed £50			
Exceeding £50 and not exceeding £100	0	0	6
Exceeding £100, for every £100 or any part thereof	0	0	6
Promissory notes are stamped in the same manner as bills of exchange.			
Bonds.—For securing an annuity, where the payments are for the term of life, or other indefinite period, for every £5, and every fractional part of £5 payable.			
(*a*) If as primary security	0	2	6
(*b*) If as collateral security	0	0	6
For securing an annuity where the total amount is ascertainable, or for the payment of money, same as mortgage.			
For customs or excise duties, same as mortgage bond, but not to exceed 5s.			
For other duties, not specifically charged (including fidelity bonds), same as mortgage bond, but not to exceed 10s.			
On obtaining letters of administration (where the amount exceeds £100)	0	5	0
Capital Duty (Share)—			
Companies and corporations with limited liability, on every £100 of nominal capital	0	5	0
Capital Duty (Loan)—			
Issues by local authorities, companies, and corporations, on every £100 secured	0	2	6
Cards (playing), for every pack	0	0	3
Certificate of goods, which are duly entered inwards, for drawback	0	4	0
Of birth, baptism, marriage, death, or burial	0	0	1
Charter-party	0	0	6
Cheques	0	0	1
Collateral Security, for each £100	0	0	6

	£	s.	d.
Contract note, for the sale or purchase of any stock or marketable security of the value of £5 and under £100	0	0	1
£100 or upwards	0	1	0
Contract or grant for payment of a superannuation annuity; for every £5 or fractional part of £5	0	0	6
Conveyance or transfer—			
Bank of England stock	0	7	9
Colonial debenture stock or funded debt, for every £100 or fractional part of £100, of nominal value transferred	0	2	6
Property, other than such stock—			
Where the purchase money does not exceed £5	0	0	6
Exceeding £5, and not exceeding £10	0	1	0
Ditto £10, Ditto £15	0	1	6
Ditto £15, Ditto £20	0	2	0
Ditto £20, Ditto £25	0	2	6
For every additional £25 up to £300	0	2	6
For every £50, if exceeding £300	0	5	0
Not otherwise charged	0	10	0
Copy or extract (attested or authenticated), the same duty as the original, but not to exceed	0	1	0
Debenture for drawback—			
If the value of the goods does not exceed £10	0	1	0
Exceeding £10, and not exceeding £50	0	2	6
Exceeding £50	0	5	0
Deed, not otherwise provided for	0	10	0
Delivery order, of goods of the value of 40*s.* or upwards, lying in any dock, port, warehouse, or wharf	0	0	1
Duplicate or Counterpart—			
Same duty as original, but not to exceed	0	5	0
Equitable Mortgages—			
For each £100 secured, or part thereof	0	1	0

	£	s.	d.
Insurance Policies (Life)—			
For any sum not exceeding £10	0	0	1
Exceeding £10, and not exceeding £25	0	0	3
Exceeding £25, and not exceeding £500, for every £50 or fractional part thereof	0	0	6
Exceeding £500, and not exceeding £1,000, for every £100, or fractional part thereof	0	1	0
Exceeding £1,000, for every £1,000, or any fractional part thereof	0	10	0
Accidental death, or personal injury, or periodical payments during sickness	0	0	1
Loss or damage to property	0	0	1
Indemnity against loss under the Employers' Liability Act, or the Workmen's Compensation Act—			
Where the annual premium does not exceed £1	0	0	1
Exceeding £1	0	0	6
Where the premium does not exceed 2*s.* 6*d.* per cent. of the sum insured	0	0	1
For every £100, or fractional part thereof, insured upon any voyage	0	0	3
In time policies, for every sum of £100, or fractional part thereof—			
If the time does not exceed six months	0	0	3
Ditto twelve months	0	0	6
If there is a continuation clause, extending the time for thirty days beyond the year, an additional duty of	0	0	6
Leases—			
A furnished dwelling-house, or apartments in the same, for a definite period less than a year, the rent for the term not exceeding £25	0	2	6
Lands or tenements at the following rents, and for the periods stated—			

Exceeding.	*Not Exceeding.*	*Up to* 35 *years.*	35 *years to* 100 *years.*	*Over* 100 *years.*
		s. *d.*	£ *s.* *d.*	£ *s.* *d.*
..	£5 ..	0 6	.. 0 3 0 ..	0 6 0
£5 ..	£10 ..	1 0	.. 0 6 0 ..	0 12 0
£10 ..	£15 ..	1 6	.. 0 9 0 ..	0 18 0
£15 ..	£20 ..	2 0	.. 0 12 0 ..	1 4 0
£20 ..	£25 ..	2 6	.. 0 15 0 ..	1 10 0
£25 ..	£50 ..	5 0	.. 1 10 0 ..	3 0 0
£50 ..	£75 ..	7 6	.. 2 5 0 ..	4 10 0
£75 ..	£100 ..	10 0	.. 3 0 0 ..	6 0 0
£100 (for each £50, or fractional part of £50)		5 0	.. 1 10 0 ..	3 0 0

	£	s.	d.
A dwelling house, or a part thereof, for a definite period not exceeding one year, the rent not exceeding £10 per annum	0	0	1
An agreement for a lease not exceeding 35 years is stamped the same as an actual lease.			
Letters of Allotment and Renunciation—			
Less than £5	0	0	1
£5 and upwards	0	0	6
Letters Patent (Grant of honours or dignities)—			
Duke	350	0	0
Marquis	300	0	0
Earl	250	0	0
Viscount	200	0	0
Baron	150	0	0
Precedence	100	0	0
Baronet	100	0	0
Congé d'élire to elect—			
Archbishop or bishop	30	0	0
Any other honour	30	0	0
Change of name or arms (if done in accordance with the terms of a will)	50	0	0
Change of name or arms upon a voluntary application	10	0	0
Letters Patent, for inventions—			
Application for provisional protection	1	0	0
Filing complete specification	3	0	0
Application for renewal—			
For the 5th year	5	0	0
Ditto 6th "	6	0	0
Ditto 7th "	7	0	0
Ditto 8th "	8	0	0
Ditto 9th "	9	0	0
Ditto 10th "	10	0	0
Ditto 11th "	11	0	0
Ditto 12th "	12	0	0
Ditto 13th "	13	0	0
Ditto 14th "	14	0	0
Marriage Licence—			
Special	5	0	0
Other	0	10	0
Mortgages—			
Not Exceeding £10	0	0	3
Ditto £25	0	0	8
Ditto £50	0	1	3
Ditto £100	0	2	6
Ditto £150	0	3	9
Ditto £200	0	5	0
Ditto £250	0	6	3
Ditto £300	0	7	6
Exceeding £300, for every £100 and fractional part thereof	0	2	6
Transfer of mortgage, per £100	0	0	6
Reconveyance, release, per £100	0	0	6
Passport	0	0	6
Power of Attorney—			
To receive prize-money or wages	0	1	0
For sale, transfer, or acceptance of any of the Government funds not exceeding £100, nominal amount	0	2	6
In any other case	0	10	0
For receipt of dividends or interest of any stock, for one payment	0	1	0
In any other case	0	5	0
To vote at a meeting	0	0	1
Any other kind of power of attorney	0	10	0
Protest of bill of exchange—			
The same duty as the bill itself, but not to exceed	0	1	0
Receipts for £2 and upwards	0	0	1
Scrip Certificate	0	0	1
Securities (transferable by delivery)—			
(1) Colonial Government securities, and other securities dated between June 3, 1862, and August 7, 1885, of which the interest is payable in the United Kingdom, same as mortgage			
(2) Other securities, for every £10 or fractional part of £10	0	1	0
(3) Foreign share certificates, for every £25 or fractional part of £25	0	0	3
Settlements—			
Any deed whereby a definite sum or share is settled upon or for the benefit of a person, for every £100 or fractional part of £100	0	5	0
Share Warrant, or stock certificate to bearer—			
(1) Any company in the United Kingdom, on issue, on the nominal value, per cent	1	10	0
(2) Any foreign or colonial company on first delivery in the United Kingdom, for every £10 or fractional part of £10	0	1	0
Voting Paper or Proxy	0	0	1
Warrant for goods	0	0	3

If any of the documents for which stamps are needed to make them legally binding are spoiled before execution, and the stamps consequently wasted,

an allowance will be made for the spoiled stamps if an application is sent in to Somerset House within two years from the time of the spoiling of the document. Payment is made in postage stamps—generally penny stamps.

The following are the penalties usually enforced in cases of failure to stamp documents at the proper time :—

	£	s.	d.
Agreements under hand, after the expiration of 14 days .	10	0	0
Charter-parties, within 7 days from their first execution .	0	4	6
Charter-parties, after 7 days but within a month . .	10	0	0
Receipts within 14 days after they have been given . .	5	0	0
Receipts, after 14 days but within a month . . .	10	0	0
(*N.B.*—After a month, receipts cannot be stamped under any circumstances.)			
Other instruments (except those which cannot be stamped after execution) . .	10	0	0

STAMP NOTE. (Fr. *Permis d'embarquement*, Ger. *Zollschein*, Sp. *Permiso de cargar.*)

A certificate from a Custom House official, giving permission for goods to be loaded on board ship.

STANDARD. (Fr. *Titre (des monnaies)*, Ger. *Münzfuss*, *Norm*, Sp. *Tipo.*)

A fixed point of value, quantity, or quality. British standard money is gold, the rest of the coinage being token money, and the cost of coining gold is a charge upon the revenue. Silver token money is issued at a nominal value of about 5*s.* 6*d.* per ounce, 66 shillings being coined out of one troy lb. of silver, whereas the market value of silver is less than one-half this sum. The gain to the exchequer is called seigniorage. The similar profit of the French mint is known as *retenue.*

STANDARD GOLD. (Fr. *Or au titre*, Ger. *Münzgold*, Sp. *Oro de grado fino.*)

The gold from which our coins are made contains 22 parts of pure gold and 2 parts of copper melted together.

STANDARD SILVER. (Fr. *Argent au titre*, Ger. *Münzsilber*, Sp. *Plata de grado fino.*)

The silver from which our coins are made contains $\frac{37}{40}$ths of pure silver and $\frac{3}{40}$ths of copper melted together.

STAPLE. (Fr. *Produit principal*, Ger. *Stapelartikel*, Sp. *Producto principal.*)

Properly, a public mart, to which merchants are obliged to bring their goods for sale. Formerly in England merchants were obliged to carry their goods and expose them for sale by wholesale at certain places. Each of these had a court of the mayor of the staple for deciding differences, according to the law. Afterwards the word staple was applied to the merchandise itself which was sold at these places. At present the term is frequently used to designate the principal products or manufactures of a country or town.

STARBOARD. (Fr. *Bâbord*, Ger. *Steuerbord*, Sp. *Babor.*)

Literally, the steering side of a vessel, or the right hand side of a ship looking towards the bow.

STATEMENTS OF ACCOUNTS. (Fr. *Relevé de compte*, Ger. *Rechnungsauszug*, Sp. *Estado de cuenta.*)

Accounts rendered periodically, showing the amounts due by one person or firm to another. Generally such statements contain the dates and amounts of all the invoices sent in since the last settlement.

STATION. (Fr. *Station, entrepôt*, Ger. *Station*, Sp. *Estación.*)

The word station in Custom House documents means a warehouse or a group of warehouses.

STATISTICS. (Fr. *Statistique*, Ger. *Statistiken*, Sp. *Estadísticas.*)

Collections of facts and figures relating to the state of trade or to the conditions of a people or class.

STATUTE. (Fr. *Statut, loi*, Ger. *Gesetz, Statut*, Sp. *Estatuto, reglamento.*)

A law of the Government of a state; an Act of Parliament.

STATUTE OF FRAUDS. (See *Frauds, Statute of.*)

STATUTE OF LIMITATIONS. (See *Limitations, Statute of.*)

STATUTORY MEETING. (See *Company.*)

STEERAGE. (Fr. *Entrepont*, Ger. *Zwischendeck*, Sp. *Antecámara.*)

An apartment in the fore part of a ship where the passengers of the lower class are placed.

STEM. (Fr. *Charger du charbon*, Ger. *mit Kohlen beladen*, Sp. *Cargar de carbon.*)

To stem a vessel means to load her, or arrange to load her, with coals, within a certain time.

STERLING. (Fr. *Sterling*, Ger. *Sterling*, Sp. *Esterlina.*)

Once the name of a penny ; it is now the term used to designate English money as distinct from the money of other nations.

STERLING BONDS. (Fr. *Obligations*

en sterling, Ger. *Sterlingobligationen*, Sp. *Obligaciones en esterlina.*)

The bonds of certain American railroad companies which have been issued in the United Kingdom and are payable in English currency, and not in that of the United States.

STET. (Fr. *Bon*, Ger. *stehen lassen!* Sp. *Vale.*)

A Latin term, meaning let it stand. When an entry or figure has been crossed out by mistake, the word "stet" indicates that it should remain as it was originally written.

STEVEDORES. (Fr. *Arrimeurs*, Ger. *Stauer*, Sp. *Estivadores.*)

Persons whose occupation it is to land or store cargo on board ships.

STEWARD. 1. (Fr. *Commis aux vivres*, Ger. *Steward*, *Aufwärter*, Sp. *Mayor domos.*)

The manager of the provision department on board ship.

2. (Fr. *Intendant*, Ger. *Verwalter*, Sp. *Administrador.*)

The person who has charge of an estate as representing the owner.

STIFFENING ORDER. (Fr. *Permis de lester*, Ger. *Ballastorder*, Sp. *Permiso de poner lastre.*)

A permission granted by the Custom House authorities for a ship to take in ballast or heavy cargo, previous to her being finally unloaded.

STIPEND. (Fr. *Salaire*, Ger. *Besoldung*, Sp. *Salario.*)

A salary; literally, one weighed out or paid for services.

STOCK. 1. (Fr. *Dette publique*, Ger. *Staatspapiere*, Sp. *Deuda pública.*)

The national debt of any country.

2. (Fr. *Marchandises en magasin*, Ger. *Vorrat*, Sp. *Existencias.*)

An accumulation of goods which remain unsold.

3. (Fr. *Capital*, Ger. *Kapital*, Sp. *Capital.*)

The capital raised by a public company, and dealt with in a particular fashion. The chief distinctions between stock and shares are—

(*a*) Shares need not necessarily be fully paid up, but the amount of stock must be.

(*b*) Shares can only be transferred in their entirety; stock may be divided and transferred either in stated multiples or in any required amounts.

(*c*) Each share is distinguished by a particular number, a requirement which does not apply to stock.

A company limited by shares may modify the conditions of its memorandum of association and convert its paid-up shares into stock.

The effect of the conversion of shares into stock is thus stated in section 29 of the Companies Act, 1862:—

"Where any company under this Act, and having a capital divided into shares, has converted any portion of its capital into stock, and given notice of such conversion to the registrar, all the provisions of this Act which are applicable to shares only shall cease as to so much of the capital as is converted into stock; and the register of members hereby required to be kept by the company, and the list of the members to be forwarded to the registrar, shall show the amount of stock held by each member in the list instead of the amount of shares and the particulars relating to shares hereinbefore required."

STOCK-BROKER. (Fr. *Agent de change*, Ger. *Effektenmakler*, *Sensal*, Sp. *Agente de Cambio*, *bolsista.*)

One who deals in stocks and shares. As the public are excluded from the Stock Exchange, the stock-broker is the middleman who acts between the stock jobber and the public.

STOCK EXCHANGE. (Fr. *Bourse*, Ger. *Fondsbörse*, Sp. *Bolsa.*)

A private institution devoted exclusively to dealings in stocks and shares.

The London Stock Exchange, the best known Exchange of the world, is governed by an elective committee of thirty members. The business is conducted in the premises which are the property of a joint stock company, the shareholders of the company being members of the Exchange. For the guidance of members there is a code of 180 rules drawn up.

Admission to the Stock Exchange is gained after service in the capacity of a clerk to a member for either two or four years. During the period of service an annual subscription has to be paid. Upon entering after two years' service a clerk is called upon to pay a sum of five hundred guineas, and to give the names of three members as sureties. If the service of the clerk has extended over four years the entrance fee is two hundred and fifty guineas, and only two sureties are required. The annual subscription is forty guineas.

Members are divided into two classes—jobbers and brokers. The former are those who deal specially in one or more particular groups of stocks, whilst the latter are the middlemen who deal between the public and the jobbers. Members are not allowed to advertise for business

purposes, nor to issue circulars to persons other than their principals. For the protection of the public, who must transact business through a broker, there is a salutary rule to the effect that neither members nor their clerks may act in the double capacity of brokers and jobbers, and that the committee will not sanction partnership between them. No member of the Exchange may deal on the "cover" system.

In dealing with brokers there is a commission charged upon the nominal value of the stock or shares dealt in. The scale is not a fixed one, but the customary rate is as follows:—

British and Indian Government Securities 2s. 6d. per cent.
Colonial, Corporation, and Foreign Stocks 5s. per cent.
Home Railway Stocks 5s. to 10s. per cent.
American and Foreign Railway Securities 5s. to 10s. per cent.

Shares in mines, industrial companies, etc.:—

Under £1 nominal value, 3d. per share.
„ £2 „ „ 6d. „ „
„ £5 „ „ 9d. „ „
„ £10 „ „ 1s. „ „

and 6d. per share for every £5 per share in excess.

In all cases of dispute reference may be made to the Stock Exchange Committee, who exercise a judicial control over all the members.

On doing business for a client a broker who purchases forwards a contract note, advising the price of dealing, the amount of commission payable, and the stamp duties. In the case of some of the highest securities payment is required to be made at once, but very frequently it is only for the settlement. The settlements take place twice a month in the majority of cases, but in a few once a month. Special days are sometimes fixed for the settlement of fresh issues, but after a time these drop in on the ordinary days. At the settlement all payments are received or made, and if a member fails to meet his liabilities he is "hammered," that is, declared a defaulter and expelled. (See *Hammered.*)

Time bargains form a very important portion of the business of the Stock Exchange. They consist in agreements to deliver stock or shares on a certain day at a certain price, the buyer believing that the price will rise, and the seller that it will fall. When the appointed day arrives the matter is usually settled without any payment of principal, the losing party merely paying the difference in price. The price at which stock is sold, to be transferred at the next settling day, is called the price for the account. Sometimes, instead of closing the account on the settling day, the stock is carried on to a future day on such terms as the parties may agree to. This is called "carrying over," and the consideration for the accommodation is "contango."

The great Stock Exchanges of the continent of Europe are those of Amsterdam, Paris, and Frankfurt-on-the-Main, which, with the London Stock Exchange, practically decide the price of stocks all over the world. The Stock Exchanges of St. Petersburg, Berlin, and Vienna are of less importance.

STOCK-HOLDER. (Fr. *Actionnaire*, Ger. *Aktionär*, Sp. *Accionista.*)

A person who holds stock in the public funds, or in the funds of a joint-stock company.

STOCK-IN-TRADE. (Fr. *Fonds de commerce*, Ger. *Betriebsmaterial*, Sp. *Fondos del Comercio.*)

The goods in stock, and the fittings, furniture, machinery, tools, and other appliances used to carry on any trade or business.

STOCK-JOBBER. (Fr. *Agioteur*, Ger. *Fondshändler*, Sp. *Agiotador.*)

A member of the Stock Exchange who carries on business with the dealers and with the public through the medium of stock-brokers. The jobbers are the stock dealers, and they constitute the market, the price at which they are prepared to transact business in any particular stock being termed its market price. The profits of jobbers arise out of the difference between their buying and selling prices, or the "turn" of the market, as it is called.

STOCK RECEIPT. (Fr. *Inscription*, Ger. *Effektenquittung*, Sp. *Titulo de la renta.*)

A receipt given by the seller of registered stock, on receiving the consideration money from the purchaser, and after having assigned the stock by signing the transfer book at the bank, which enables the purchaser to have the stock registered in his own name.

STOCK-TAKING. (Fr. *Inventaire*, Ger. *Inventur, Lageraufnahme*, Sp. *Inventario.*)

A periodical valuation of all goods on hand, together with the machinery, fittings, or appliances used in a business, so that they may be taken into account when balancing the books, and may

enable the proprietor to ascertain his true position and worth.

STONE. (Fr. *Stone*, 6.35 *kilog.*, Ger. 6.35 *Kilogramm*, Sp. *Stone* (*peso inglés.*)

A customary stone is a weight of 8 lbs. of butcher's meat, but a legal stone is a weight of 14 lbs.

STOP. (Fr. *Faire cesser le payement*, Ger. *Aufhaltung*, Sp. *Suspensión.*)

A letter or order to a banker, instructing him not to pay a bank note, cheque, bill, or other document when such instrument has been lost or stolen. It must not be inferred that a bank has power to refuse payment when a note or cheque to bearer is presented. A holder in due course is not responsible for the previous history of the negotiable instrument, and cannot be deprived of his property in the same. But an inquiry into the circumstances of the case may lead to the tracing of the person who has been guilty of any dishonest dealing. In the case of a bank note this is all that can be done. An advertisement to the effect that certain bank notes have been stopped is valueless so far as a *bonâ fide* holder is concerned.

A stop order is an order of the court obtained by any person who is entitled to a fund, forbidding any dealing with the fund without notice being previously given to the applicant.

STOP A CHEQUE. (Fr. *Suspendre un chèque*, Ger. *einen Check aufhalten*, Sp. *Anular un cheque.*)

To stop a cheque, in cases where it has been lost or stolen, is to give written instructions to the banker upon whom it is drawn not to pay the cheque when presented without first ascertaining whether the party presenting the same has obtained it honestly or by fraud.

STOP ORDER. (Fr. *Limite*, Ger. *Limitum*, Sp. *Limite.*)

An American expression, recently introduced, signifying that a broker has orders to sell on the best terms he can if the price should go against the operator and reach a named figure. For example, if a "bull" of 200 shares, standing at 90, sees that the market is weakening, he might give his broker a "stop order" at 85, which would mean that should the price fall to 85, the broker is to sell the shares at once for the best price he can obtain, even though he cannot get more than 83 for them.

STOPPAGE IN TRANSITU. (Fr. *Arrêt, saisie*, Ger. *Beschlagnahme unterwegs befindlicher Waren*, Sp. *Suspensión de transito.*)

This is the right of the seller, in the case of the insolvency of the buyer, to stop the goods and re-take possession of them, so long as they are on their way or in transit to the buyer, and are in the possession of a carrier or other person deputed to transmit them to the buyer. This right, like the right of lien, belongs to the seller who is unpaid, and can be exercised by him either by actually re-taking possession of the goods, or by giving notice to the carrier or other person, who has them in possession for the purpose of carriage, not to deliver them to the buyer.

The *transitus* commences when the goods are delivered to the carrier or other person. Its termination has been thus defined judicially: "When the goods have arrived at their destination, and have been delivered to the purchaser or his agent, or where the carrier holds them as warehouseman for the purchaser, and no longer as carrier only, the *transitus* is at an end. The destination may be fixed by the contract of sale, or by directions given by the purchaser to the vendor. But, however fixed, the goods have arrived at their destination, and the transit is at an end, when they have got into the hands of some one who holds them for the purchaser and for some other purpose than that of merely carrying them to the destination fixed by the contract or by the directions given by the purchaser to the vendor. The difficulty in each case lies in applying these principles."

The seller's right of stoppage *in transitu* is destroyed if a bill of lading or other document of title has been sent to the buyer, and the buyer has indorsed it for value to a third person.

The right of stoppage *in transitu* is conferred upon an unpaid seller by implication of law. Such implication may be rebutted; for, by the Sale of Goods Act, where any right arises under a contract of sale by implication of law, it may be negatived or varied by express agreement, or by the course of dealing between the parties, or by usage, if the usage is such as to bind both parties to the contract.

STORAGE. (Fr. *Magasinage*, Ger. *Lagermiete*, Sp. *Almacenaje.*)

The charge made for storing or warehousing goods.

STORES. (Fr. *Munitions navales*, Ger. *Schiffsbedarf*, Sp. *Provisiones navales.*)

A general term for the provisions, etc., taken on board a ship for the maintenance of the passengers and crew during a voyage.

STOWAGE. (Fr. *Arrimage*, Ger. *Stauungslohn*, Sp. *Arrimaje.*)

Wages paid for stowing a ship.

STRADDLE. (Fr. *Double privilège*, Ger. *Gegentransaktion, Eindeckung*, Sp. *Doble privilegio.*)

An American term for "put and call," but used when the price is the same, whether the stock is "put" or "called."

STRAITS SETTLEMENTS. *General Description.*—The Straits Settlements is the name given to the British possessions and protectorates in the Malay Peninsula, including—

(1) Singapore.

(2) Penang, or Prince of Wales Island, with Wellesley Province and the Dindings.

(3) Malacca.

(4) The Keeling Islands.

Closely connected with the Straits Settlements are the Federated Malay States, a British Protectorate, including Perak, Selangor, Negri Sembilan, and Pahang.

Productions.—The chief objects of culture are rice, sugar, coffee, spices, tapioca, cocoa-nuts, and pepper. The most flourishing industry in these settlements, however, is tin-mining.

The annual value of transit trade is steadily increasing, and is now between 50 and 60 millions.

Mails are despatched every Friday via Italy, and the time of transit is from twenty-three to twenty-five days. The cost of telegrams is 3*s.* 4*d.* or 3*s.* 6*d.* per word.

STRANDED. (Fr. *Echoué*, Ger. *gestrandet*, Sp. *Echado sobre la costa.*)

A term in marine insurance for the running of a ship on a rock, a sandbank, or on shore, and allowing it to remain stationary there for any length of time.

STRIKE. (Fr. *Grève*, Ger. *Streik, Ausstand*, Sp. *Huelga.*)

The action of a body of workmen refusing to work in order to secure higher wages, or to redress some grievance.

The combination of workmen for the purposes of a strike is no longer an illegal act; but by the Conspiracy and Protection of Property Act, 1875, workmen are liable to fine or imprisonment if they are guilty of any of the following things during the continuance of the strike:—

(1) Using violence or intimidating any other person, his wife, or children, for the purpose of compelling that person to abstain from doing or to do any act which he has a legal right to do or abstain from doing, or injuring his property;

(2) Persistently following such other person from place to place;

(3) Hiding any tools, clothing, etc., belonging to such person, and depriving him of, or hindering him in, the use of such tools, clothing, etc.

(4) Watching or besetting the house or other place where such person resides, works, or carries on business, or happens to be, or the approaches to such house or place;

(5) Following such person with two or more other persons in a disorderly manner in or through any street or road.

It has been held that there is neither watching nor besetting within the meaning of the statute when a workman on strike is in the neighbourhood of a house, workshop, or other place for the simple purpose of obtaining or communicating information.

Workmen who are employed by gas or water companies are specially restricted. They are liable to fine or imprisonment if they wilfully and maliciously break a contract of service with their employers if they know, or have reasonable cause to believe, that the probable consequences of their conduct, either alone or in combination with others, will have the effect of depriving the inhabitants of the place where they have been employed wholly, or to a great extent, of their supply of gas or water.

Gas and water companies are required to keep notices of the foregoing provisions conspicuously posted on their premises.

SUB-AGENT. (Fr. *Sous-agent*, Ger. *Unteragent*, Sp. *Subagente.*)

A person employed by an agent to transact the whole or a portion of the business entrusted to the agent.

SUB-LEASE. (Fr. *Sous-bail*, Ger. *Aftermiete*, Sp. *Subarrendado.*)

A lease made by a lessee to another person.

SUB-LET. (Fr. *Sous-louer*, Ger. *wiedervermieten*, Sp. *Subalquilar.*)

A letting by a tenant to another person.

SUBMISSION TO ARBITRATION. (See *Arbitration.*)

SUBPOENA. (Fr. *Citation*, Ger. *Citation, Vorladung*, Sp. *Citación.*)

A writ commanding the attendance of a person in court under a penalty. It is a compound of the two Latin words, *sub poenâ*, signifying under a penalty.

There are two kinds of writs :—

(1) *Subpœna ad testificandam.* This is for the purpose of securing the attendance of a witness to give evidence.

(2) *Subpœna duces tecum.* This is for the purpose of securing the production of certain documents, in the possession of the witness, at the trial of an action, or at an arbitration. The documents must be specified on the writ.

SUBSCRIBED CAPITAL. (Fr. *Capital souscrit*, Ger. *gezeichnetes Kapital*, Sp. *Capital suscrito.*)

The amount of capital subscribed or guaranteed by shareholders to a public company. Generally the subscribed capital is not paid at once, but only a certain portion is paid on allotment and the balance by "calls," either at stated intervals, or as may be required.

SUBSIDY. (Fr. *Subvention*, Ger. *Subvention, Unterstützung*, Sp. *Subvención.*)

An aid in money given by one person to another; or a pecuniary grant or assistance made by a state.

SUB-TENANT. (Fr. *Sous-locataire*, Ger. *Aftermieter*, Sp. *Re-alquilado.*)

A tenant who hires or leases houses or land from a person who is himself a tenant.

SUE. (Fr. *Poursuivre*, Ger. *verklagen*, Sp. *Procesar.*)

To prosecute a suit at law for the payment of a debt, or for the recovery of damages or other relief for a loss suffered.

SUCCESSION DUTY. This is a duty payable on the interest which a person takes as successor to a deceased person on real or leasehold property in the United Kingdom, or on legacies charged upon the proceeds of sale of real estate of a person who died domiciled in this country, irrespective of the situation of the property; and also on personal property included in a settlement, whether the property is situated in the United Kingdom or not.

Succession duty varies as follows :—

	Per cent.
On the successions of lineal descendants	£1
Brothers and sisters of the deceased and their descendants, or the husbands or wives of such persons	£3
Uncles and aunts of the deceased and their descendants, or the husbands or wives of such persons	£6
Great uncles and great aunts of the deceased and their descendants, or the husbands or wives of such persons . .	£6
Other persons of more distant relationship, or strangers in blood	£10

There are numerous exemptions from succession duty :—

(1) Successions by the husband or the wife of the deceased.

(2) Successions by lineals where estate duty has been paid.

(3) Successions where the principal value of the whole does not exceed £100.

(4) Estates of which the net value, exclusive of property settled otherwise than by the will of the deceased, does not exceed £1,000, provided estate duty has been paid.

(5) Property upon which legacy duty has been paid in respect of the same acquisition thereof.

(6) Plate, furniture, pictures, works of art, etc., which do not yield income, left to different persons in succession. But succession duty is payable as soon as the subject matter passes into the hands of a successor who has the right of disposing of the same.

The valuation is made in the same way as for estate duty, and payment may be made at once, or by eight equal yearly payments, or sixteen equal half-yearly payments, interest being charged upon the succession duty left unpaid at the rate of 3 per cent.

SUFFERANCE WHARF. (Fr. *Dépôt de marchandises en souffrance*, Ger. *Zollwerft*, Sp. *Muelle permitido.*)

A wharf licensed by the Custom House, and at which an officer attends, where goods liable to duty may be landed or stored until the duty upon them has been paid.

SUPERANNUATION. (Fr. *Pension de retraite*, Ger. *Pension*, Sp. *Pension.*)

A pension given on account of long service, old age, or infirmities.

SUPERCARGO. (Fr. *Subrécargue*, Ger. *Superkargo*, Sp. *Sobrecargo.*)

A person who is sometimes engaged to go with a ship for the purpose of superintending the sale of the cargo, and of procuring other cargo or freight for the return voyage.

SURETY. 1. (Fr. *Garant*, Ger. *Gewährsmann*, Sp. *Garantizador.*)

A person who is bound by bond that he will be answerable for the debt of another person if it is not paid when due.

2. (Fr. *Répondant*, Ger. *Bürge*, Sp. *Fiador.*)

A person who is bound by bond that he will be responsible for the performance of some duty undertaken by another. (See *Guarantee.*)

SURRENDER VALUE. (Fr. *Valeur de renoncement*, Ger. *Rückkaufswert*, Sp. *Valor de renuncia.*)

This term is applied generally to life insurance policies, and signifies that amount of money which the company is willing to give to the insured if the latter will surrender his policy and extinguish his claim upon them. The older a policy is, or the greater the number of premiums paid upon it, the higher is the surrender value.

In practice it is generally found that the market value of a life policy is from 15 to 20 per cent. greater than the surrender value.

SURVEYOR OF CUSTOMS. (Fr. *Visiteur*, Ger. *Zollinspektor*, Sp. *Inspector.*)

The officer in superintendence at a Custom House station or warehouse.

SUSPENSE ACCOUNT. (Fr. *Compte en suspens*, Ger. *Conto sospeso*, Sp. *Cuenta en suspenso.*)

An account, used by merchants, bankers, and others, wherein sundry items are kept, which, owing to death, oversight, postal irregularities, or want of detail or information at the time of posting cannot be placed to their regular accounts in the books.

SUSPENSION OF PAYMENT. (Fr. *Suspension de payements*, Ger. *Zahlungseinstellung*, Sp. *Suspensión de pagos.*)

This signifies the cessation of the payment of any of the debts due by a banker, merchant, or other person, on becoming aware of his insolvency and complete inability to discharge the whole of his liabilities.

SWEATING COINS. (Fr. *Frai par le ballottage*, Ger. *den Wert von Münzen durch Schütteln verringern*, Sp. *Merma de la moneda.*)

This refers to the practice of debasing money, formerly carried on to a large extent in England, by putting a number of gold coins in a bag and roughly shaking them together until a considerable portion of the metal was worn off by friction, and the dust thus obtained sold at a clear profit.

SWEDEN-NORWAY. *Position and Area.*—The Scandinavian peninsula, in which the continent of Europe terminates at the north-west, is composed of Sweden and Norway. It has the Atlantic on the west, the Baltic Sea and Russia on the East.

The area of the peninsula is about five times that of England and Wales, and the population is about equal to that of Wales alone. Sweden, which is the eastern portion of the peninsula, is considerably larger than Norway, and has a population more than twice as great. Norway is the most sparsely populated country in Europe, the average number being only eighteen to a square mile.

Configuration and Climate.—Over a large part of its area this peninsula is mountainous and rocky. A great mountain chain extends from north to south, forming a natural boundary between the northern portions of the two divisions of the kingdom. In the lowlands of the east and south the soil is mostly fertile. Owing to the influence of the Gulf Stream the climate of the peninsula is generally milder than that of other countries in the same latitudes. As far north as 66°, barley, oats, rye, hemp, and flax are grown, but in some seasons the crops are not sufficient for home requirements.

Industries.—One-fourth of the area of Norway is covered with pine forests, and a considerable part of the timber of European commerce comes from that country. Cattle-raising is an important industry. Vast herds are grazed during the summer in the pasture lands of the mountain valleys. Horses and sheep are also raised in great numbers. Live stock and dairy produce are largely exported.

The fisheries of Norway are very valuable. The rugged Atlantic coast is indented by hundreds of inlets (fiords) and channels, and in these, as well as in the deep seas, immense quantities of fish, particularly cod and herring, are caught.

Mining is one of the most important industries of Sweden. Swedish iron, smelted with charcoal, has long been esteemed for its excellence. There are also mines of copper, zinc, lead, and tin. The minerals of Norway are of less extent, but there are deposits of copper, nickel, and silver.

Owing to the lack of coal the manufactures are not extensive. In Norway there are many saw-mills for cutting timber, which is the principal export. Shipbuilding is largely carried on; and, in proportion to its population, Norway has a larger shipping tonnage than any other country. One of the best-known products of Sweden is lucifer matches.

Means of Communication.—Sweden has 5,000 miles of railway, about one

third of them owned by the State. Norway has 1,000 miles of railway, nearly all under State ownership.

The rivers being generally short and rapid are navigable for only a few miles from the coast. They are, however, of great importance for floating down rafts of timber from the mountainous forests to the fiords. There are several good canals in South Sweden, notably the Gotha Canal.

The lakes of Sweden cover about one-twelfth of its total area. Four of them are great inland seas, and are of considerable commercial importance. The largest, Lake Wener, is third among the lakes of Europe in size.

Commerce.—The foreign commerce of Sweden-Norway is mostly with Great Britain, Germany, Russia, and Denmark. Norway exports timber and fish. Sweden exports timber, metals, and live animals. Both import breadstuffs and raw and manufactured textiles.

The trade of Great Britain with Sweden and Norway amounts to about 25 millions annually. The chief exports to the United Kingdom are timber, £6,250,000; food, £2,500,000; paper, £2,250,000; iron, £1,300,000. Sweden and Norway import from the United Kingdom: coal, £1,400,000; textiles, £1,300,000, and metal goods, £1,000,000.

Commercial Cities and Towns.—Stockholm, the capital of Sweden, near the Baltic coast, has a population of 280,000. It is the commercial as well as the political centre of Sweden. It has a large shipping trade, particularly in the export of iron and timber, and has manufactures of cotton, wool, silk, and leather.

Norköping, on the Baltic, is an important seaport of Sweden. In the neighbourhood of this city there are large iron works and cannon foundries.

Göttenburg, near the south-west coast on the Götha river and canal, is, next to Stockholm, the most important city of Sweden. It is the principal seaport, and has manufactures of cotton and woollen goods, sailcloth, and tobacco. It exports iron, copper, timber, tar, and pitch. Göttenburg is as large as Huddersfield.

Christiania, situated on one of the southern fiords, is the capital of Norway. It is the principal seaport, and ships great quantities of timber. It is scarcely as large as Salford.

Great Britain is represented by a consul-general at Christiania, a consul at Stockholm, and by consuls or vice-consuls at Bergen, Christiansand, Göttenburg, Hammerfest, Norköping, Tromsö, Trondhjem, and Vardö. Sweden and Norway have consular representatives in the United Kingdom at the following places: Belfast, Birmingham, Bradford, Bristol, Cardiff, Cork, Dublin, Dundee, Glasgow, Hartlepool, Hull, Leith, Liverpool, Manchester, Newcastle, and Southampton.

Mails are despatched twice a day, via Holland and Belgium. There are supplementary services via Newcastle-on-Tyne and Hull. Stockholm is 1,132 miles distant from London, and Christiania 656 miles. The time of transit to the former city is two days, and to the latter fifty-nine hours. The cost of telegrams to Sweden is 3½*d.* per word, and to Norway 3*d.* per word.

SWITZERLAND. *Configuration.*—Switzerland is an inland country. It has Italy on the south, Germany on the north, Austria on the east, and France on the west.

The area of Switzerland is about twice that of Wales, and the population is nearly 3½ millions.

Switzerland is a country of mountains and lakes, and the character of its soil and climate is as varied as is the elevation of its several districts above the sea-level. The mountain peaks are capped with perpetual snow. Below the snow level distinct zones of vegetation have been distinguished, from the shrubs and sparse grass of the upper alpine region to the wheat and vines of the lowest valleys. In the intervening belts pasture land and forest cover a large area. Nearly half the surface of the country is pasture land and meadow; one-third is covered by barren rocks, glaciers, and water; one-sixth is forest, and about one-tenth is under cultivation.

The principal agricultural products are rye, oats, and potatoes. In several districts the mulberry-tree and the vine are cultivated. Apple orchards are numerous. Switzerland has few minerals.

Nearly all the raw material used in the manufacturing industries is imported. The country has abundant water power, which partly compensates for the lack of coal, but a large part of Swiss wares is hand-made.

Cattle-raising is the occupation of a large number of the people. In summer the cows are driven to the mountain pastures, where they are tended by herdsmen, who live during the season

in wooden huts (chalets). Here the butter and cheese, of which Switzerland exports large quantities, are made. Sheep and goats are also raised in great numbers. The chamois is the wild goat or antelope of the Alps. From the skin of this animal the soft leather so-called was first prepared. The market supply of this leather is now made from sheep-skins.

The best known Swiss manufactures are clocks and watches, for which Geneva, in particular, is famous. Chronometers, musical-boxes, and mathematical instruments are also made. Silk, linen and cotton fabrics, especially machine-made embroideries, are manufactured in several cantons. The other industries of Switzerland include wood-carving and the manufacture of leather, paper, and tobacco.

The grandeur of the scenery of Switzerland attracts to this country tourists from all parts of the world. Hence hotel-keeping is an important source of revenue to the Swiss.

Internal Communication. — Internal communication is afforded by excellent roads, by steam-boats on the lakes, and by a network of railways penetrating the Alpine valleys, and forming a complete connection between the important towns and the industrial districts. The opening of the railway tunnels through the Alps has greatly benefited the silk manufactures of Switzerland by facilitating the importation of the raw silk from Italy.

Switzerland has numerous rivers, but owing to the nature of the country they are not navigable for commercial purposes. Two of the greatest rivers in Europe, the Rhine and the Rhone, take their rise in the Swiss Alps, but in the mountainous cantons through which they flow their fall is too rapid to permit of navigation. So also the physical formation of the country is an obstacle to the construction of canals.

Commerce.—The greater part of the foreign commerce of Switzerland is carried on with the adjacent countries, particularly with France and Germany. With Great Britain also the trade is very considerable. The exports are principally clocks and watches, cotton and silk goods, cheese, and condensed milk; and the imports are chiefly food stuffs, raw cotton, and raw silk.

Commercial Cities and Towns.—Berne, situated on the river Aar, and 1,700 feet above the level of the sea, is important only as the political capital. It has a population about equal to that of Great Yarmouth.

Geneva, situated at the southern extremity of the beautiful lake of the same name, is the centre of watch and clock making. This industry is carried on principally in the surrounding villages. The city is as large as Cork.

Zurich, in the north, is the largest city of Switzerland, and the most important commercial and industrial centre. It was one of the first cities of Europe to manufacture cotton, and has fine silk and cotton mills. The city is about as large as Derby.

Great Britain has consular representatives at Berne, Geneva, Lausanne, Lucerne, and Zurich. Switzerland is not commercially represented in the United Kingdom.

Mails are despatched to Switzerland three times daily. The time of transit to Berne, Geneva, or Zurich is about twenty-two hours. The cost of telegrams is 3*d.* per word.

SWORN BROKERS. (Fr. *Courtiers assermentés*, Ger. *vereidigte Makler*, Sp. *Corredores jurados.*)

Stock and other brokers, who are licensed by the authorities as fit and proper persons to act as agents for negotiating business, after having taken an oath and entered into a bond for the due fulfilment of their duties. Sworn brokers are now unknown in England, but still exist on the bourses of Berlin and Vienna.

T. This letter is used in the following abbreviations :—

T.Q., Tale Quale (grain trade).

T.T., Telegraphic transfers.

TAEL. (Fr., Ger. and Sp. *Tael.*)

A Chinese measure of weight, equal to 1⅓ oz. avoirdupois. The name is also given to a coin which has a circulating value of about 6*s.* 6½*d.*

TAKE UP A BILL. (Fr. *Faire honneur à un effet*, Ger. *einen Wechsel einlösen*, Sp. *Honrar una letra.*)

To pay the money value of a bill either to a banker or to the party who holds it. The term is synonymous with "retiring a bill."

TALE. (Fr. *Compte, chiffre*, Ger. *Zahl.* Sp. *Cuenta.*)

The reckoning of goods by number and not by weight.

TALE QUALE. (Fr. *Tel quel*, Ger. *tale quale*, Sp. *Tal cual.*)

An expression used in contracts when grain and other produce is sold "to arrive." It means that the goods as

they lie are held to be the same as the sample submitted, but the buyer takes the risk of any damage the produce may afterwards sustain during the voyage.

TALLY TRADE. (Fr. *Commerce à tempérament*, Ger. *Abzahlungsgeschäft*, Sp. *Comercio temporal.*)

A system of dealing by which customers are furnished with articles on credit, agreeing to pay the stipulated price in instalments.

TALLYING. (Fr. *Contrôle*, Ger. *Kontrollieren*, Sp. *Marca.*)

The act of checking another's account —one counts while the other tallies or checks him.

TALON. (Fr., Ger. and Sp. *Talon.*)

A certificate attached to transferable bonds (usually the last portion of the coupon sheet), to be exchanged for an additional series of coupons as soon as those on the coupon sheet have all been presented and paid.

TAPE PRICES. (Fr. *Prix télégraphiques*, Ger. *telegraphische Preise*, Sp. *Precios telegráficos.*)

This term signifies the Stock Exchange and other market quotations as recorded on the "tape" of the instruments of the Exchange Telegraph Company.

TARE. (Fr. *Tare*, Ger. *Tara*, Sp. *Tara.*)

An allowance for the weight of the case, cask, bag, chest, or other package in which goods are secured.

(*a*) Actual Tare (Fr. *Tare*, Ger. *wirkliche Tara*, Sp. *Tara*) means that the package has been weighed separately from the goods before they were packed.

(*b*) Average Tare (Fr. *Tare moyenne, commune*, Ger. *Durchschnittstara*, Sp. *Tara media*) is where the packages are numerous and of a similar size, and only a few are weighed so as to form an average for the whole.

(*c*) Customary Tare (Fr. *Tare d'usage*, Ger. *übliche Tara*, Sp. *Tara de costumbre*) means the established allowance made for the weight of packages which are so invariably alike and of such uniform weight as to warrant a fixed percentage allowance being made for them.

(*d*) Estimated Tare (Fr. *Tare légale*, Ger. *geschätzte Tara*, Sp. *Tara legal*) means that the package has not been actually weighed apart from the goods, but its weight has been estimated from the similarity of its size to those packages which have been weighed.

(*e*) Super Tare (Fr. *Surtare*, Ger. *Uebertara*, Sp. *Supra-tara*) is an additional tare made in some instances when the package exceeds a certain weight.

TARIFF. (Fr. *Tarif*, Ger. *Tarif*, Sp. *Tarifa.*)

A table of fixed charges. Also a list issued by the customs enumerating all the articles upon which duties are levied, showing the rates charged, and stating the articles which are prohibited and exempt, as well as those upon which drawback or bounty is allowed.

TASTING ORDER. (Fr. *Ordre d'échantillonnage*, Ger. *Probiererlaubnis* Sp. *Orden de sacar muestras.*)

An order chiefly used in the wine and spirit trade, authorizing the dock company to allow the bearer to taste certain wines or spirits named in the order. They are issued by the owner or seller, and are of great service in commerce, intending buyers being enabled to taste the various growths or qualities in bulk as they are stored in the warehouse.

TASMANIA. Tasmania, which occupies an area of over 26,000 square miles, has more hill and dale than Australia, is better watered, and is, altogether, a milder and finer country. It is an island-colony off the south-east cost of Australia, which was formerly called Van Diemen's Land. Tasmania is nearly as large as Scotland, and has a population of 185,000.

To a considerable extent, the surface of Tasmania is mountainous and forest-covered; but the island is agriculturally rich, yielding large quantities of hops and fruit. The climate is equable and healthful; grazing is a leading industry, and Tasmanian wool is of the finest quality. The forests afford a variety of fine woods; there are some rich and extensive coal-mines, tin-deposits, and stone quarries; gold is also mined in many places.

Apart from its trade with the neighbouring colonies, nearly all the commerce of Tasmania is with the mother country.

Launceston, an important northern port, is connected by rail with Hobart, the capital and commercial centre. The latter city is the chief seaport, and has a fine harbour on the south coast. Both of these places have steamship communication with Melbourne and Sydney, and they carry on considerable local industries, especially in the manufacture of woollen fabrics. Tasmania is now united with the five Australian colonies in the Commonwealth of Australia.

Mails are despatched every Friday via Brindisi or Naples, supplementary mails being sent, if letters are so in-

dorsed, via Vancouver or San Francisco. Hobart is 13,250 miles distant from London. The time of transit is thirty-four days. The cost of telegrams is 2*s*. 10*d*. or 3*s*. per word.

TELEGRAPH RESTANTE. (Fr. *Poste restante pour télégrammes*, Ger. *postlagerndes Telegramm*, Sp. *Poste restante para telégramas*.)

A term used when a telegram is to wait until called for at a telegraph office named.

TELEGRAPHIC MONEY ORDER. (Fr. *Mandat télégraphiques*, Ger. *telegraphische Postanweisung*, Sp. *Orden telegráfica*.)

A mode of remitting money by telegram through the Post Office. In addition to the cost of the telegram there is a charge for remittance, varying with the amount. (See *Money Orders*.)

TELEGRAPHIC TRANSFERS. (Fr. *Transferts télégraphiques*, Ger. *telegraphische Auszahlungen*, Sp. *Trasferencias por telégrafo*.)

Messages sent by telegraph, ordering the transfer of specified amounts from one person to another by means of debit and credit of their respective accounts. There is a daily rate quoted in the money market reports for transferring money from one country to another.

TELLER. (Fr. *Caissier*, Ger. *Kassengehilfe*, Sp. *Cajero*.)

The name given to the cashier, who receives and pays out money over the counter of a bank.

TENANT. (Fr. *Locataire, tenancier*, Ger. *Mieter*, Sp. *Arrendatario, inquilino*.)

A person who holds property, houses, or land from another under an agreement or lease, and pays rent for the same. (See *Landlord and Tenant*.)

TENDER. 1. (Fr. *Soumission*, Ger. *Angebot*, Sp. *Apuesta*.)

A written offer to supply certain commodities upon specified terms.

The tender is the first step in the formation of a proposed contract. An advertisement, circular or other intimation that tenders are required for the carrying out of certain work or the purchase of certain goods is nothing more than an invitation to offer, and has no legal effect. Until the tender is accepted there is no binding contract. There is no *primâ facie* undertaking that the best or any offer will be accepted by the person who has invited the tenders.

2. (Fr. *Offre*, Ger. *Angebot*, Sp. *Oferta*.)

An offer to perform a certain act or to pay a sum of money in discharge of an obligation.

"Tender is attempted performance; and the word is applied to attempted performances of two kinds, dissimilar in their results. It is applied to a performance of a promise to do something, and of a promise to pay something. In each case the performance is frustrated by the act of the party for whose benefit it is to take place."

With respect to tender in the case of a contract for the sale of goods, section 37 of the Act of 1893 is as follows:—

"When the seller is ready and willing to deliver the goods, and requests the buyer to take delivery, and the buyer does not within a reasonable time after such request take delivery of the goods, he is liable to the seller for any loss occasioned by his neglect or refusal to take delivery, and also for a reasonable charge for the care and custody of the goods. Provided that nothing in this section shall affect the rights of the seller where the neglect or refusal of the buyer to take delivery amounts to a repudiation of the contract."

The effect of such a tender of performance is to discharge the vendor from all liability under the contract, and he can either maintain or successfully defend an action for breach of the contract.

A tender of money, however, in discharge of a debt does not extinguish the debt. But the debtor should, if the money is not accepted, and an action is commenced against him, bring the amount into court and plead the tender. If the creditor then continues his action, and recovers no more than the amount tendered and paid into court, he will have to pay the defendant's costs of the action.

A tender, in order to be valid, must fulfil the following conditions:—

(*a*) The full amount must be actually produced unless the creditor expressly dispenses with or prevents its production. It must be of the whole debt, and no change can be demanded.

(*b*) It must be unconditional.

(*c*) It must be made to the creditor himself, or to an agent duly authorized to receive payments.

(*d*) It must be in the current coin of the realm. (See *Legal Tender*.)

TENEMENT. (Fr. *Local*, Ger. *gepachtetes Land*, Sp. *Inquilinaje*.)

Land or other property held by a tenant.

TENURE. (Fr. *Tenure*, Ger. *Mietsvertrag*, Sp. *Arrendamiento*.)

The manner of holding land or houses, as copyhold tenure, freehold tenure.

TERM OF A BILL. (Fr. *Terme d'un billet*, Ger. *Ziel eines Wechsels*, Sp. *Duración de una letra.*)

The time for which a bill is drawn, as one month after sight.

TERMINABLE ANNUITIES. (Fr. *Annuités terminables*, Ger. *Annuitäten auf bestimmte Zeit*, Sp. *Anualidades terminables.*)

Annuities granted by Government, and by most insurance offices, for a period of years, or for the life of a person, in return for a present payment of money. The rate is fixed by actuarial calculation, based on the tables of the probabilities of life at certain ages.

THIRD CLASS PAPER. (Fr. *Valeurs de 3e classe*, Ger. *Wechsel dritter Güte*, Sp. *Valores de 3ª órden.*)

Bill brokers and others divide commercial bills into various grades, calling them first, second and third class paper, according to the financial standing of the persons who are parties to the bills, and their reputation in the market.

TICKET DAY. This term is peculiar to the London Stock Exchange, and has no foreign equivalent. It is the day preceding the fortnightly settling day.

The fortnightly settlement (*Liquidation* in French and German) extends over three days. On the first day, which is called Contango, or Continuation Day, all speculative business, such as time bargains, are adjusted. On the second day, which is known as Ticket Day, tickets are passed between brokers and jobbers, by means of which they learn the amount of stocks and shares they have to deliver or receive on the following day. The differences are struck and the names of buyers are declared. The third day is Pay, Account, or Settling Day.

TIME BARGAIN. (Fr. *Marché à terme*, Ger. *Termingeschäft*, Sp. *Mercado à término.*)

A contract to buy or sell merchandise or stocks at a certain future time, but at a price arranged at the time the bargain is made.

TIME POLICY. (Fr. *Police à terme*, Ger. *Zeitpolice*, Sp. *Póliza a término.*)

A marine insurance policy for a certain fixed period, not exceeding one year and thirty days in length. The risk undertaken is for any loss which may happen during that time, irrespective of the voyage or voyages undertaken. In the absence of special stipulation, there is no implied warranty of the seaworthiness of a vessel which is insured under a time policy.

TIP. (Fr. *Mot, tuyau*, Ger. *Fingerzeig, Wink*, Sp. *Sugestión, ojeada.*)

Some private information given to another as likely to yield him a profit if he act upon the advice given him.

TOKEN MONEY. (Fr. *Jeton*, Ger. *Markengeld*, Sp. *Señal.*)

The name applied to those coins which are of less metallic value than the sum named upon them, but which can legally be exchanged for standard coins at fixed rates. The standard gold coins of this country, and of gold standard countries generally, are intrinsically worth the amounts named upon them, but the silver and bronze coins are not. When the value of any article is estimated in silver coinage, what is meant is the fraction of the standard gold coin to which it corresponds.

TOLLS. (Fr. *Droits, péage*, Ger. *Abgaben*, Sp. *Derecho, peaje.*)

Charges made by dock and canal companies upon the traffic conveyed by them. They are payable by the owners of the goods, and not by the vessel carrying them.

TON. (Fr. *Ton, tonne, tonneau*, Ger. *Tonne*, Sp. *Tonelada.*)

An imperial ton is equal to 20 cwts. of 112 lbs., or 2,240 lbs. avoirdupois; but a ton in the United States and Canada is equivalent to 2,000 lbs. only.

TONNAGE. (Fr. *Tonnage*, Ger. *Tonnengehalt*, Sp. *Tonelaje, cabida.*)

The cubical capacity of a ship, one ton being estimated at 100 cubic feet. This registered tonnage does not in any way represent the carrying capacity of the ship.

TONNAGE DUES. (Fr. *Prix de chargement*, Ger. *Tonnengeld*, Sp. *Derechos de cargamento.*)

A charge of so much per ton made on a ship's registered tonnage, upon entering or leaving a port, in order to maintain and renew the mooring-chains, etc., kept for general use.

TONTINE. (Fr. *Tontine*, Ger. *Tontine*, Sp. *Tontina.*)

A financial plan in which a number of persons pay a certain sum of money, for which they are each granted a life annuity. As each member dies his share is divided amongst the rest, and the last survivor inherits the whole.

TOWAGE. 1. (Fr. *Remorquage*, Ger. *Schleppen*, Sp. *Remolcaje.*)

The act of towing a ship.

2. (Fr. *Halage, touage*, Ger. *Schepplohn*, Sp. *Espia.*)

The payment made for such service.

TOWN TRAVELLER. (Fr. *Placier*,

Ger. *Stadtreisender*, Sp. *Representante viajando en la ciudad.*)

A town traveller is one who does not go on a journey, but confines his circuit to the town or city in which his employer is established.

TRADE. (Fr. *Commerce*, Ger. *Handel*, Sp. *Comercio.*)

The term generally applied to buying, selling, and exchanging commodities, bills, money, and the like. Adam Smith divides the wholesale trade of a country into three different kinds, viz., the home trade, the foreign trade of consumption, and the carrying trade.

The home trade is employed in purchasing in one part and selling in another part of the same country the produce of the industry of the country, and it comprehends both the inland and the coasting trade, or that which is carried on both by land and by sea.

The foreign trade of consumption is occupied in purchasing foreign goods for home use.

The carrying trade is engaged in carrying the produce of one country to another.

Retail trade is engaged in supplying private consumers with articles of daily want.

TRADE BILL. (Fr. *Effet de commerce*, Ger. *Handelswechsel*, Sp. *Letra comercial.*)

A bill drawn in the usual course of trade for goods shipped, value received, etc. It is so named to distinguish it from an accommodation bill.

TRADE MARK. (Fr. *Marque de commerce, marque de fabrique*, Ger. *Schutzmarke*, Sp. *Marca de fábrica.*)

A particular mark, stamp, or device, affixed or attached to manufactured goods, indicating to the public generally that the goods have been manufactured or otherwise dealt with by the person or persons who have affixed or attached the mark.

At common law there was no property in a trade mark. But where a person had long been in the habit of making use of a particular mark, he could prevent, by proper proceedings, any other person from fraudulently making use of the same or a similar mark to pass off the latter's goods as though they were those of the former.

Registration was first established by the Trade Marks Registration Act, 1875. This Act is now repealed, and the law on the subject is contained in statutes passed in 1883, 1885, 1886, and 1888.

A trade mark must consist of or contain one at least of the following essential particulars :—

(*a*) A name of an individual or firm printed, impressed, or woven in some particular and distinctive manner.

(*b*) A written signature or a copy of a written signature of the individual or firm applying for registration.

(*c*) A distinctive device, mark, brand, heading, label, or ticket.

(*d*) An invented word or invented words.

(*e*) A word or words having no reference to the character or quality of the goods, and not being a geographical name.

The majority of the cases upon the validity of a name, etc., as the subject of a trade mark, have turned upon the last two of these particulars.

Registration is effected by application in the prescribed form to the comptroller at the Patent Office. The application must be accompanied by a certain number of representations of the trade mark, and a statement of the particular class of goods in connection with which the applicant desires that it should be registered. The application must be advertised by the comptroller, and any person may within two months give notice of opposition to the registration, either on the ground that the trade mark is not a proper subject for registration, or that it so closely resembles a mark already registered that it is calculated to deceive. If the applicant does not, after notice of opposition, proceed with his claim for registration, he will be presumed to have abandoned it.

As soon as a trade mark is registered, the proprietor has a *primâ facie* right to its exclusive use. Registration is valid for fourteen years from the date of application, and can be renewed every fourteen years. The fees payable for application and registration are fixed by the Board of Trade.

A register of trade marks is kept at the Patent Office. In it are entered all particulars as to trade marks, the names and addresses of the grantees, notifications of assignments and transmissions, and such other matters as affect their validity and ownership.

As in the case of patents, most of the work in connection with application and registration is done through an agent.

A registered trade mark can be assigned, but its assignment can only take place together with the assignment of the goodwill of the business with which the trade mark is connected.

By the Merchandise Marks Act, passed in 1887, it is an offence, punishable criminally, for any person to forge or to falsely apply a registered trade mark, or a false description, to goods. If the goods of a foreign manufacturer are imported into this country, and bear the name or mark of any manufacturer, dealer, or trader in the United Kingdom, they must also bear a clear indication of the name of the country in which they have been produced.

TRADE PRICE. (Fr. *Prix marchand, prix faible*, Ger. *Engrospreis*, Sp. *Precis arreglado.*)

The market price of goods less a wholesale discount allowed to retailers who have to sell again.

TRADE RIGHTS. (Fr. *Droits de commerce*, Ger. *Handelsrechte*, Sp. *Derechos comerciales.*)

This term designates those proprietary rights which, apart from brands and trade marks, belong exclusively to the person or the firm who has built up an established trade or business. Such, for instance, is a trade name, or the name of a place of business, which if assumed by another person would be likely to take away business by misleading the public, and so divert business from the original proprietor.

TRADES UNION. (Fr. *Union ouvrière*, Ger. *Handwerkerverband*, Sp. *Union obrera.*)

A combination of workmen, known as "Society men," whose object is to maintain their rights and privileges as to wages, hours of labour, and customs of the trade. All trades of any magnitude have now a union of their own, which they support by periodical contributions and levies.

These combinations were illegal until 1871. By an Act passed in that year, any seven or more members of a trades union may, by subscribing their names to the rules of the union, and otherwise complying with the provisions of the the Act with respect to registry, register such trades union under the Act, provided that if any one of the purposes of such trade union is unlawful the registration is void. The registrars under the Act are the registrars of Friendly Societies. But although the existence of trades unions is legalized, the court will not entertain any legal proceedings to enforce or recover damages for the breach of any of the following agreements :—

(*a*) An agreement between members of a trades union as such, concerning the conditions on which any of the members shall not sell their goods, transact business, employ, or be employed.

(*b*) An agreement for the payment by any person of any subscription or penalty to a trades union.

(*c*) An agreement as to the funds of the union being applied for the benefit of the members, or for furnishing contributions to employers or workmen not members of the union, in consideration of such employers or workmen acting in conformity with the rules or resolutions of such trades union, or for paying any fine imposed upon any person by sentence of a court of justice.

(*d*) An agreement made between one trades union and another.

(*e*) A bond to secure the due performance of any of the foregoing agreements.

The result is, therefore, that the courts will not assist the unions in any way, but nevertheless they will not declare the agreement made by the unions unlawful, although some of them are clearly in restraint of trade, and therefore illegal at common law.

The chief contests in which the unions have been engaged have been in connection with strikes. Until recently it was thought that they enjoyed an immunity from being sued for acts which would make a private person amenable to the law, but that doctrine has been completely dispelled by the recent decision in the case of the *Taff Vale Railway Company* v. *Amalgamated Society of Railway Servants* (1901), A.C. 426.

TRAFFIC RETURNS. (Fr. *Etat de recettes*, Ger. *Verkehrsbericht*, Sp. *Estadisticas de tráfico.*)

A periodical statement issued by railway, tramway, and other companies, showing the income received from the goods and the passengers carried on their lines. The information is for the benefit of speculators and investors, who are enabled thereby to make comparisons and calculate the probable amount of dividend to be paid at the next distribution, and thus to anticipate a rise or a fall in the shares of the company.

TRANSFER. (Fr *Transfert*, Ger. *Uebertragung*, Sp. *Transferencia.*)

In banking, when two persons transacting business together have an account at the same bank, the debtor would pay his creditor by a cheque on the bank, which cheque would be paid in for collection as usual, but the amount of money in the bank would remain the

same, as the value of the cheque is simply transferred from one account to the other in the bank's books. On the Stock Exchange a transfer is a document used by the seller of registered stocks and shares at the time of his transferring them to the buyer.

TRANSFER DAY. (Fr. *Jours d'enregistrement des transferts*, Ger. *Skontrotag*, Sp. *Dias de registro de las transferencias.*)

Certain fixed days at the Bank of England, and some other banks, for entering the transfers of registered stock in their books. On these days transfers are made free of charge. If a transfer is made at any other time a fee is charged.

TRANSFEREE. (Fr. *Cessionnaire*, Ger. *Annehmer*, Sp. *Concesionario.*)

The person to whom a bill of exchange, or any other document, security, or article is transferred.

TRANSFEROR. (Fr. *Cédant*, Ger. *Uebertrager*, Sp. *Cedente.*)

The person who parts with a bill of exchange or any other document, security, or article to another.

The transferor of a bill of exchange by mere delivery, that is, without indorsing it, warrants to his immediate transferee being a holder for value that the bill is what it purports to be, that he has a right to transfer it, and that at the time of transfer he is not aware of any fact which renders it valueless. But the transferor is not, in such a case, liable upon the instrument itself, nor is he liable on the consideration in respect of which he has transferred the bill, if the bill should be dishonoured, unless—

(1) The bill was given in respect of an antecedent debt; or

(2) It appears that the transfer was not intended to operate in full and complete discharge of such liability.

For example, A, the holder of a bill for £100, which has been indorsed in blank, discounts it with a banker for £90 without indorsing it. If the bill is dishonoured at or before maturity A is not liable to refund the £90.

TRANSHIPMENT. (Fr. *Transbordement*, Ger. *Umladung*, Sp. *Trasbordo.*)

The act of transferring goods directly from one ship to another; the goods so transferred are said to be transhipped.

Goods which are liable to pay duty if imported into this country are often brought to a British port, and then sent off at once to some other destination. In order to avoid any difficulties as to duty it is necessary to follow the regulations laid down for transhipment by the Custom House authorities. The bill of lading is presented at the custom house, certain documents are prepared, and the freight is paid, upon which an authority is given to transfer the goods from one ship to another. The exporter has to give a bond for the due performance of the transhipment.

TRANSHIPMENT BOND NOTE. (Fr. *Transfert douanier*, Ger. *Umladungsschein*, Sp. *Permiso de traspasar.*)

This forms an entry for the goods when dutiable goods are transhipped, and states that the party named has given security for the due transhipment and exportation for the goods named therein. This note is handed in to and is retained by the customs in all cases where dutiable goods are transhipped from one vessel to another.

TRANSHIPMENT DELIVERY NOTE. (Fr. *Permis de transfert maritime*, Ger. *Umladungslieferschein*, Sp. *Permiso de trasborde.*)

A note used when dutiable goods are to be transhipped. It is addressed by the customs to their officer on board the incoming vessel, instructing him to send up in charge of an officer of customs the goods specified therein, to be delivered into the custody of the proper officer at the docks where the export steamer is lying.

TRANSHIPMENT PRICKING NOTE. (Fr. *Billet de transbordement douanier*, Ger. *Umladungsschein*, Sp. *Nota (de aduana) de trasborde.*)

This is another document also in use when dutiable goods are transhipped. It is addressed by the customs to their officer on board the export steamer, instructing him to receive the goods (by land or water, as the case may be), and is signed by him, as well as by the mate of the ship, as certifying to the shipment.

TRANSIRE. (Fr. *Passavant*, Ger. *Ausfuhrerlaubnis*, Sp. *Permiso de tránsito.*)

A document issued at the Custom House, drawn in duplicate, for use in the coasting trade, fully describing the goods on board a ship, and giving the names of the shipper and the consignee. The duplicate serves as the outward clearance of the vessel; and the original, being given up when she reaches her destination, is her entry inwards.

TRANSVAAL. *Boundaries and Extent.*—The Transvaal, annexed by Great Britain in September, 1900, includes the territory between the Vaal River

in the south, and the Limpopo in the north, and between the Portuguese possessions and Natal on the east, and Bechuanaland on the west. It includes Swaziland, and the total area is about 20,000 square miles, while the population is about 750,000, of whom whites number, British, 70,000; Boers, 60,000; other Europeans, 20,000.

Surface.—The surface is an elevated plateau, 3,000 feet above sea level, dotted with thinly wooded hills, called "kopjes," covered with thorny bush, and interspersed with spruits or depressions, worn out by the action of streams. The northern extension of the Drakensberg Mountains, with the offshoot known as the Magliesberg, runs north and south, the highest summit being Mount Manchu, 8,725 feet high. In the north, a range known as the Hangklip runs east and west. In the north-east the surface is rugged, broken, and mountainous. The surface gradually slopes from the Drakensberg to the Limpopo. The country is watered by the rivers Vaal and the Limpopo, with their tributaries. The Vaal and the Nu-Gariep form, when united, the large Orange River. Both these rivers rise on the "Mount Aux Sources," a high summit of the Drakensberg. The Vaal forms the southern boundary of the Transvaal. The Limpopo, sometimes called the Crocodile river, rises among the Magliesberg, and enters the Indian Ocean a few miles north of Delagoa Bay. Its chief tributary is the Olifant or Elephant river. The Limpopo is shallow, and navigation is impeded by a double bar at its mouth.

Climate and Soil.—Being situated at a high elevation, the climate is pleasant and healthy, and well adapted to Europeans. It is moister than that of the Orange River Colony, and heat and cold vary considerably according to elevation. Both climate and soil are favourable for agriculture. Where the soil is suitable for cultivation it is very fertile, but agriculture in some parts labours under serious drawbacks. Vegetation is richer than in the Orange River Colony, and parts of the Transvaal are at a lower elevation than that colony.

Productions.—Until the discovery of gold and other metals, the country was entirely pastoral, agriculture and stock-rearing being the chief industries, and although the Boers, or Dutch inhabitants, are still chiefly occupied on the land, mining constitutes the chief wealth of the country. Gold has been worked in the Lydenburg district since 1870, but its discovery in recent years in large quantities in the district called the "Rand" has entirely changed the prospects of the Transvaal, and caused many thousands of Europeans to immigrate, and build the large town of Johannesburg, containing 105,000 inhabitants. Previous to the war, the output of gold amounted to £12,000,000 annually. There is abundance of coal, and also of excellent iron. Silver, lead, copper, and cobalt are also known to exist, and are mined to some extent. Large numbers of sheep are raised, wool-growing being still of great importance. Stock-rearing is also largely carried on, as is also ostrich-farming, and in parts fruit and grain are largely grown.

Trade.—The exports are chiefly the produce of farming and mining, and include wool, cattle, hides, game, ostrich feathers, ivory, butter, fruits, gold, silver, copper, lead, cobalt, and iron. The imports are chiefly manufactured goods of different kinds. Before the war, the trade of the Transvaal amounted to nearly £24,500,000 annually, the value of the exports being about £13,500,000. About 70 per cent. of the trade is with Cape Colony.

Means of Communication.—There are about 1,000 miles of railways connecting the Transvaal with Durban, Delagoa Bay, and the Cape. Delagoa Bay is the natural outlet, and there is a line directly connecting Pretoria with the port of Lourenco Marquez, passing through Koomati Poort, where the Portuguese and the Transvaal frontiers meet. Another main line connects Pretoria with Johannesburg and Bloemfontein, while a third important line, connecting Cape Town with Kimberley and Bulawayo, runs along the western border. It is now possible to make a complete railway tour of South Africa, entering at Cape Town and quitting at Durban or Lourenco Marquez. There is good telegraphic communication between the chief towns.

Towns.—Pretoria. Under the late republic this was the centre of the political life of the Transvaal, and the seat of its Government. It is at a lower elevation than Johannesburg, and is not so healthy. It possesses some good buildings, and is enclosed by hills. It lies in the centre of a district formerly engaged in the ivory and the ostrich feather trades. Population about 13,000.

Johannesburg—the largest town in the Transvaal and the second largest

in South Africa—lies in the centre of a large gold-mining district, is situated at a high elevation, and enjoys a remarkably fine climate. It is well laid out, has some good brick buildings and wide streets. Its growth has been very rapid, and previous to the war it had a population of 105,000. Potchefstroom, in the south-west, was the old capital. Other towns are Lydenberg and Barberton, around which are gold mines, Utrecht, Bloemhof, and Rustenberg.

Mails are despatched every Saturday to the Transvaal. The time of transit to Pretoria, which is 7,200 miles distant from London, is twenty days. The cost of telegrams is 2*s.* 6*d.* per word.

TRAVELLER. (Fr. *Voyageur, commis voyageur*, Ger. *Reisender*, Sp *Viajante.*)

A person engaged by wholesale houses and manufacturers to canvass for orders, collect money, and represent their interests away from the establishments.

The rights and duties of a traveller will depend upon the terms of his engagement. He may be merely a servant of his principal or he may be in the position of an agent.

When a traveller is engaged to go abroad it is necessary to obtain information as to the terms upon which such a person will be allowed to transact business in each country he visits. Such information is obtainable at any consulate.

TREASURY. (Fr. *Ministère des finances*, Ger. *Schatzkammer*, Sp. *Ministerio de Hacienda.*)

The name given to the Government department which has charge of the finances of the country. The Prime Minister is usually the First Lord of the Treasury.

TREASURY BILLS. (Fr. *Billets du trésor*, Ger. *Schatzkammerschein*, Sp. *Cédulas del tesoro.*)

These are instruments of credit issued by the Government as an acknowledgment for sums of money lent by private persons. Advertisements appear in the *Gazette* when the Government requires money in this way. There are three, six, and twelve months' Treasury bills; and, as the purchaser receives them at a discount, the operation is similar to the process of discounting an ordinary trade bill. Forms of tender for Treasury bills are obtainable at the Bank of England whenever an announcement appears in the *Gazette* inviting such tenders.

TREASURY BOND. (Fr. *Bon du trésor*, Ger. *Schatzkammerscheine*, Sp. *Bono del tesoro.*)

The same as an Exchequer Bond.

TRET. (Fr. *Réfaction*, Ger. *Refaktie*, Sp. *Rebaja.*)

An allowance of 4 lbs. on every 104 lbs. of certain articles of merchandise for dust, waste, etc.

TRIAL OF THE PYX. (See *Pyx.*)

TRINIDAD (BRITISH). Trinidad, ten miles from the coast of Venezuela, at the mouth of the Orinoco River, is the most southerly of the islands of the West Indies. From its fortunate situation, the fertility of its soil, its varied products and the evenness of its climate, this island has won the title of "the Pearl of the Antilles."

Port of Spain is the capital and the chief centre of commerce. The principal products are sugar, cocoa, molasses, rum, cocoa-nuts, timber, fruits, and asphalte or mineral pitch. On the island is a remarkable asphalte lake, containing a vast supply of this mineral.

Mails are despatched twice a month via Southampton, and at other times via the United States if the letters are so indorsed. The time of transit is rather less than fourteen days. The cost of telegrams is 5*s.* 1*d.* per word.

TRINITY HOUSE. (Fr. *Trinity House*, Ger. *Trinity House*, Sp. *Departamento de pilotos.*)

A corporation entrusted with the regulation and management of the lighthouses, buoys, and beacons of the shores and rivers of the United Kingdom, and with the licensing and appointment of pilots for the British coasts. It consists of thirteen acting elder brethren, of whom two are elected from the Royal Navy and eleven from the Merchant Service, and thirteen honorary elder brethren. The acting members attend at the Admiralty Court to act as assessors, and they also advise the Board of Trade in nautical matters. The income of the corporation is about £300,000 per annum, and is expended, under the auditorship of the Board of Trade, on the various duties already mentioned, in pensions to decayed masters of the mercantile marine, and in administrative expenses.

It is believed that Trinity House dates back to the time of King Alfred. It rose to a position of importance in the reign of Henry VIII., who granted a charter in 1518 for the purpose, among other things, of improving the breed of seamen. The full title of the body is the Corporation of the Elder Brethren of the Holy and Undivided Trinity.

TROY WEIGHT. (Fr. *Poids troy*, Ger. *Karatgewicht*, Sp. *Peso troy.*)

A measure of weight now rare in this country, differing from the avoirdupois most commonly in use, and limited to the weighing of gold, silver, platinum, diamonds, and other precious stones. The pound troy is that from which all other weights are obtained; $\frac{1}{12}$ of it is the ounce troy, $\frac{1}{240}$ of the ounce is a pennyweight, and $\frac{1}{24}$ of a pennyweight is a grain. There are, therefore, 5,760 grains in a pound troy, whilst 7,000 such grains go to make a pound avoirdupois.

TRUCK SYSTEM. (Fr. *Payement en marchandises*, Ger. *Tauschsystem*, Sp. *Pago en mercancias.*)

The practice of paying workmen wholly or partly in goods instead of money. The system is now rendered illegal by the Truck Acts.

The word is derived from the French, *troc*, which means an exchange of goods without the intervention of money.

TRUCKAGE. (Fr. *Camionnage*, Ger. *Rollgeld*, Sp. *Gastos de carruaje.*)

A charge made for the use of railway and other trucks as distinct from a charge for carriage.

TRUST. (See *Trustee.*)

TRUST. (Fr. *Monopole*, Ger. *Pfand, Ring*, Sp. *Monopolio, union de fabricantes.*)

The name applied to large combinations of business firms, where several have been amalgamated into one large company.

The object of the various trusts is to prevent the continuous fall in prices arising from competition. Small businesses are compelled to give way and to disappear when opposed to similar businesses which command a large amount of capital. The larger houses are then left to compete amongst themselves. Profits are reduced to a minimum, and the contest is nothing but a fight between capitalists, from which the public alone derive any advantage. It was to prevent this continuous ruinous contest that the first combinations of capitalists took place, by which prices were regulated, and from the time of the establishment of the Standard Oil Trust in America, in 1882, the idea has pervaded all the principal commercial countries so far as the greatest of its industries are concerned.

It is obvious that the chief aim of trusts is to obtain a private monopoly. If all the firms engaged in any particular business were to combine this would be easily attained; but it has been found in practice that a few firms remain outside the combinations, and that trusts have not quite a monopoly, but the power of dominating the market. But the effect is in reality nearly the same.

The trusts claim certain advantages for their methods of trading. It is said that there is an economy in production owing to the large scale upon which raw material is bought, and to the use of the best kinds of machinery and processes, that there is better organization, that there is economy in transport, and that there are advantages in sale owing to the elimination of superfluous expenses. But on the other hand there are the evils naturally arising from the stifling of healthy competition, and the arbitrary methods invariably accompanying the possession of an enormous capital, and these vastly outweigh any of the advantages claimed for the existence of trusts.

The problem of trusts is one of the greatest industrial questions of the present day, and owing to the fact that there are now in contemplation international organizations of huge dimensions, the question is one not affecting any particular country, but the world as a whole.

TRUST DEED. (Fr. *Acte de fidéicommis*, Ger. *Pfandurkunde*, Sp. *Asignación de Síndico.*)

A deed conveying property to a trustee or trustees. The most common form is that of a deed of arrangement (*q.v.*) by which an insolvent debtor conveys his property, with the acquiescence of his creditors, for the purpose of an equitable division without the publicity and expense of going through the Bankruptcy Court.

TRUSTEE. (Fr. *Curateur*, Ger. *Pfandhalter*, Sp. *Curador.*)

A trust may be defined as a confidence reposed by one person in conveying or bequeathing property to another that the latter will apply it to purposes directed by the former. The person in whom the confidence is reposed is called the trustee, and the persons for whose benefit the trust is created are termed the *cestuis que trustent.* If there is but one beneficiary he is the *cestui que trust.*

Trusts owe their origin in England to the ingenuity of the ecclesiastics. At all events, they have existed from a very early period in the history of this country, and the control of trustees by the Chancery Division of the High Court

dates back to the reign of Richard II. That control has been exercised ever since, and the rules and principles relating to the duties, obligations, and liabilities of trustees consist almost entirely of what is known as judge-made law, varied to some extent by modern statutes.

Trustees are appointed, in general, by the instrument creating the trust, whether a will or a deed, and provision ought to be made as to who is to have the appointment of new trustees when the first ones die or wish to retire from the trust. Any person may be a trustee, though it is not advisable to name an infant to act as such, especially if he is to be a sole trustee. There may be matters of importance to attend to before he attains the age of twenty-one, and others which he could not undertake at all during his minority. But in order to prevent a deadlock the court will, on proper cause being shown, appoint another person to act so long as the minority lasts. No one is compelled to act as trustee any more than as executor. But if he once interferes with the trust property, or does anything in respect of the trust, he cannot disclaim until he has been discharged or finally released. A disclaimer need not be in writing, though it is safer not to rely upon one made by parol only.

The choice of trustees is not an easy matter, especially as great responsibilities may attach to the position. Some trustees are inclined to favour the beneficiaries at the expense of the trust fund; others are of an opposite nature, and cause trouble on every possible occasion. The person to seek is one who will carry out the terms of the trust with the utmost strictness, but who will nevertheless put no obstacles in the way of doing anything which can be beneficial to the trust estate generally—in fact, who will take some personal interest at least in the matter. It has been said: "The best persons to be appointed trustees are men of substance and position, friends of the family and interested in their welfare, but not very closely connected. Of such persons (if they are to be found) it is desirable to appoint three where the property is considerable, and two where it is of moderate compass. Even where the property is small it is, as a rule, highly inexpedient to appoint a sole trustee."

The first duty of trustees is to reduce the subject matter of the trust into their possession, and if it consists of inscribed securities to have them transferred into their joint names, and they must take the same care of the trust estate as they would be expected to take if it were their own, and they must themselves do such acts as a man would usually himself do in business. But they are justified in delegating to professional people such work as is in the ordinary course of business committed to such people, for example, the sale and the receipt of the purchase money of stocks and shares to brokers, the sale and the receipt of the deposit of the purchase money of land to auctioneers, and the receipt of the purchase money of land to solicitors.

They must invest trust moneys according to the directions contained in the trust instrument, and in default of such directions, in the modes authorized by the Trustee Act, 1893, as to which the broker who buys for them is always a competent adviser.

When it is considered that trustees generally act without any personal remuneration, the law appears to treat them with excessive stringency, for in the execution of their trusts and the administration of the trust estates they are liable for a mistake as much as for a wilful breach of trust. They can, however, and in every case of difficulty they should, apply to a judge of the Chancery Division of the High Court for directions as to what they ought to do, or as to any question arising out of the administration of their trusts. This can be done promptly and inexpensively at the cost of the trust estate, and the opinion of the judge if followed will operate as an indemnity to the applicants.

There is a popular notion that there can be one acting trustee, and another or others dormant. But this is a fallacy. A trustee who stands by and permits his co-trustee to commit an act of malversation incurs the same measure of liability as if he had himself joined in it.

Trustees are not justified in allowing moneys to remain uninvested or in placing them on deposit with their bankers. As it is not right to allow one trustee to receive dividends on behalf of himself and his co-trustees, and as it is often inconvenient and occasions delay to send dividend warrants and cheques to all the trustees for indorsement, the plan usually adopted is that trustees give a power of attorney in the case of consols, and a written authority in other

cases for their own bankers to receive the dividends as they become due from the Bank of England and the companies whose debentures, stocks, or shares such trustees hold. Their bankers then place the dividends to the account of the trustees. When there is only one *cestui que trust*, for instance, a tenant for life, the trustees also give their bankers authority to honour his cheques to the amounts so paid in to their account, but where there are numerous *cestuis que trustent* cheques must, of course, be drawn to each of them separately for the purpose of distribution.

Where land is held in trust for an infant, the trustees mu ' manage or superintend the managem by an agent of the land, with power to t timber or underwood, erect, pull dow build, and repair houses and other bu ings, continue the working of mines and quarries which have usually been worked, drain and improve the land, insure against fire, make arrangements with tenants to let on yearly or short tenancies, but not to grant leases. If it is desired to let on leases application must be made to a judge of the Chancery Division for his sanction thereto.

The trustees can, at their discretion, apply the whole or any portion of the income arising out of land or other property for the infant's maintenance, education, or benefit, or pay it to his parents or guardians. This is entirely a matter for the trustees, and it is immaterial whether there is any other fund available for the purpose, or any person bound by law to provide for the infant's maintenance and education or not. Any surplus of the income which has been so applied must be invested and accumulated at compound interest, but the trustees may at any time apply the accumulations as if they were income arising in the then current year. Of course these powers only apply if and so far as a contrary intention is not expressed in the instrument under which the infant's interest ar ses, and have effect subject to the terms of that instrument.

This is quite in accordance with the general principle upon which trustees are bound to act. The principal or *corpus* of the property is to be held intact as long as the trust continues. The income, unless expressly ordered to be accumulated for a period allowed by the law, can generally be devoted for the benefit of the *cestuis que trustent*, and if the trust instrument is silent upon the point an application may be made to the Chancery Division.

Where a trustee is dead or remains out of the United Kingdom for more than twelve months, or desires to be discharged from his office, or refuses or is unfit to act, or is incapable of acting, then the person or persons nominated for the purpose by the instrument creating the trust or (if there is no such person, or no such person able and willing to act), the surviving or continuing trustee or trustees, or the personal representatives of the last surviving or continuing trustee may by writing appoint another person or other persons to be a trustee or trustees in the cases mentioned. A *cestui que trust* should never be appointed a trustee of the fund of which he is a beneficiary, nor a husband trustee for his wife, for the interest of a trustee should not conflict with his duty; and a person who has the power appointing a new trustee may not i ainate himself—for a man himself is ot a proper judge of his own qualifica ns for the office.

A tru e may retire if there are two or more trustees continuing, but he cannot do so leaving the trust fund in the hands of one trustee. Another must be appointed in his place so as to make the number at least two, though that number may be increased.

In all cases of difficulty recourse can be had to the Chancery Division for the appointment of a trustee. The court can also, if requested to do so by a person creating a trust, or by a trustee or beneficiary, appoint a judicial trustee either jointly with another, or as sole trustee, and can give him directions how to act, fix his remuneration, and order his accounts to be audited yearly.

Trustees may reimburse themselves out of their trust funds for all expenses properly incurred by them, but unless otherwise directed by the instrument creating the trust their services and office must be gratuitous. There must not be the slightest suspicion of any profit made or advantage taken through dealing with the trust property. For example, a sale of property to the trustee himself is always regarded with suspicion, and is likely to be impeached. Again, if trustees deal with the money of their *cestuis que trustent*, they are accountable for any profit made by them, and responsible for any loss which may arise. Also, if they mix trust money with their own, and any transactions take place with the mixed fund, it is

the money of the trustee which is presumed to be utilised for the purpose, whilst the money of the *cestuis que trustent* is held to be intact, so long as there is sufficient left of the mixed fund to cover the same.

By several recent statutes certain indemnities have been given to trustees in order to lighten the burdens placed upon them by judicial decisions. Thus, by the Trustee Act, 1893, in the case of signing receipts for conformity, a trustee is relieved unless a loss has arisen through his own act or wilful default. And where a breach of trust has been instigated by a *cestui que trust*, his interest can be impounded towards recouping the trustee. By the later Trustee Act, 1896, where it appears to the court that a trustee is or may be personally liable for any breach of trust whenever it occurred, but has acted honestly and reasonably and ought fairly to be excused for the breach, and for omitting to obtain the directions of the court in the matter in which he has committed such breach, the court may relieve the trustee either wholly or in part from personal liability. But a prudent man will not rely on these indemnity clauses and powers of obtaining recoupment or relief. He should in all cases act strictly in accordance with his duties, remembering that if a wrong is done he may have to bear all losses himself, for between wrongdoers there is no contribution, and the *cestuis que trustent* may claim against him alone, and leave out his co-trustee. If the friction between the different parties becomes great, the safest course for the trustee who disapproves of the contemplated breaches of trust to adopt, is to take measures to have the trust funds paid into court, and to free himself from the trust.

When all the purposes for which a trust was created have been fulfilled, and before a final distribution of the property is made, the trustees should submit their accounts to the beneficiaries, and obtain a formal release from them. They are entitled to do this at the expense of the trust estate. The release should set out all that has been done in respect of the estate, and should be by deed.

A trustee of any property, whether for the use or benefit of a private person, or for any public or charitable purpose, is liable to be convicted of a misdemeanour and sentenced to penal servitude if he is found guilty of converting or appropriating any part of the trust property to his own use and benefit. No prosecution can be instituted without the consent of the Attorney-General.

Trustee Investments.—1. The following are the investments which are authorized by the Trustee Act, 1893:—

(*a*) In any of the parliamentary stocks, or public funds, or Government securities of the United Kingdom.

(*b*) On real or heritable securities in Great Britain or Ireland (but not on equitable or second mortgages, leaseholds, or on mortgages of unlet houses).

(*c*) In Bank of England or Bank of Ireland stock.

(*d*) In India 3½ per cent. and 3 per cent. stock, or in any other capital stock which may be issued by the Secretary of State in Council of India, under the authority of an Act of Parliament, and charged on the revenues of India.

(*e*) In any securities the interest of which is for the time being guaranteed by Parliament.

(*f*) In consolidated stock created by the Metropolitan Board of Works, or by the London County Council, or in debenture stock created by the receiver of the metropolitan police.

(*g*) In the debenture, guaranteed, or preference stock of any railway in Great Britain or Ireland, incorporated by special Act of Parliament, which has during each of the ten years preceding the investment paid a dividend of not less than 3 per cent. per annum on ordinary stock.

(*h*) In the stock of any railway or canal company of Great Britain or Ireland, whose undertaking is leased in perpetuity or for not less than 200 years, at a fixed rental to such a railway company as is mentioned in sub-s. (*g*), either alone, or jointly with some other railway company.

(*i*) In the debenture stock of any railway company in India the interest on which is paid or guaranteed by the Secretary of State in Council of India.

(*j*) In the "B" annuities of the Eastern Bengal, the East Indian, and the Scinde Punjaub and Delhi railways, and any like annuities which may be created on the purchase of a railway by the Secretary of State in Council of India, and charged on the revenues of India, and authorized by Act of Parliament to be accepted by trustees in lieu of any stock held by them in the purchased railway; also in deferred annuities comprised in the register of holders of annuity, Class D., and an-

nuities comprised in the register of annuitants, Class C., of the East Indian Railway Company.

(*k*) In the stock of any railway in India upon which a fixed or minimum dividend in sterling is paid or guaranteed by the Secretary of State in Council of India, or upon the capital of which the interest is so guaranteed.

(*l*) In the debenture, guaranteed, or preference stock of any trading water company in Great Britain or Ireland which is incorporated by special Act of Parliament, or by royal charter, and which has, during the ten years preceding the investment, paid a dividend of not less than 5 per cent. on its ordinary stock.

(*m*) In nominal or inscribed stock issued, or to be issued, by the corporation of a municipal borough, having, according to the last census, a population exceeding 50,000, or by any County Council, under the authority of an Act or provisional order.

(*n*) In nominal or inscribed stock issued, or to be issued by any commissioners incorporated by Act to supply water, and having a compulsory power of levying rates over an area having, according to the last census returns, a population exceeding 50,000, provided that during the ten years preceding the rates levied by the commissioners have not exceeded 80 per cent. of the amount authorized by law to be levied.

(*o*) In any of the stocks, funds, or securities for the time being authorized for the investment of cash under the control or subject to the order of the High Court.

The trustees may from time to time vary any of these investments.

2. Under the powers of the Act trustees may invest in any of the above securities, even though they are redeemable and the price is in excess of the redemption value. But no price exceeding the redemption value must be paid for any of the stocks mentioned in sub-sections (*g*), (*i*), (*k*), (*l*) and (*m*) above, which are liable to be redeemed within fifteen years of the date of purchase at par or at some fixed rate, or when the price exceeds 15 per cent. above par or the fixed rate. Any stock, fund, or security purchased in accordance with the power of the Act may be held until redemption.

3. Every power conferred upon trustees as to investment may be exercised at their discretion, but always subject to any consent required by the instrument, if any, creating the trust with respect to the investment of the trust funds.

4. The powers conferred by the Act are in addition to any conferred by the instrument creating the trust.

5. Where there is a power given to trustees to invest in real securities, they may, unless especially forbidden by the instrument creating the trust, invest—

(*a*) On mortgage of property held for an unexpired term of not less than 200 years, and not subject to a reservation of rent greater than a shilling a year, or to any right of redemption or to any condition for re-entry, except for non-payment of rent; and

(*b*) On any charge, or mortgage of any charge, made under the Improvement of Land Act, 1864.

6. If there is a power conferred by the instrument creating the trust to invest in the mortgages or bonds of any railway or any other description of company, the trustees are empowered, unless the contrary is expressed, to invest in the debenture stock of the railway or company.

7. Trustees are not chargeable with a breach of trust for lending money on the security of property merely because of the proportion borne by the amount of the loan to the value of the property, at the time when the loan was made, provided that the court thinks that in making the loan they were acting upon the report as to the value of the property of a person whom they reasonably believed to be a competent surveyor, or of a valuer instructed and employed independently of the property, whether such surveyor or valuer carries on business in the locality where the property is situate or elsewhere, and that the amount of the loan does not exceed two-thirds of the value of the property as stated in the report, and that the loan was made upon the advice of the surveyor or valuer expressed in the report. In lending upon leaseholds trustees are not guilty of a breach of trust because they have dispensed with the investigation of the title of the lessor, nor because in buying or lending money on property they have accepted a shorter title than they might have required, provided the title accepted is such as a person acting with ordinary prudence and caution would have accepted.

8. If trustees improperly advance money on a mortgage security which would at the time of the investment

be a proper investment in all respects for a smaller sum than is actually advanced thereon, the security is held to be an authorized investment for the smaller sum, and the trustees are only liable to make good the sum advanced in excess together with such interest.

TRUSTEE IN BANKRUPTCY. (Fr. *Syndic*, Ger. *Massenverwalter*, Sp. *Síndico.*)

The person appointed by the creditors of a debtor who has been adjudicated a bankrupt to take charge of and manage the estate of the bankrupt during the liquidation of his affairs. Until the appointment is made the Official Receiver acts in that capacity. He is often assisted by a committee of inspection, also elected by the creditors from their own number, who likewise serve the purpose of watching over the administration, and of seeing that everything is carried out in the general interest of all parties concerned. The main duties of a trustee are to realize the estate, by getting in all the assets available, to disclaim unprofitable contracts, to examine into the character of the bankrupt's dealings, to keep accurate accounts, and to distribute dividends. At the close of his labours he is to report to the Board of Trade, from whom he obtains his discharge. (See *Bankruptcy.*)

TURKEY. *Position, Area, and Population.*—The Empire of Turkey, or the Ottoman Empire, comprises an extensive territory, including Turkey in Europe, Turkey in Asia (Asia Minor), and the adjacent provinces of Tripoli, Barca, and Fezzan in North Africa. It covers an area of just over a million square miles, and its population is about 22 millions.

(1) *Turkey in Europe.*—Turkey in Europe comprises the greater part of the Balkan Peninsula, which lies to the south of the river Danube, between the Adriatic and Black Seas.

The soil is generally fertile, and the climate, though in some districts there are extremes of heat and cold, is, on the whole, favourable to the culture of the crops grown in other countries of southern Europe. Agriculture is in a backward condition. Only a small area of the arable land is cultivated, and the system of tillage is primitive. The staple products are the cereals—wheat, maize, rye, barley, cotton, tobacco, and fruits of various kinds. Turkey produces and exports large quantities of raisins. On the southern slopes of the Balkan Mountains, which extend across the country, there are great fields of roses, from which attar, or oil of roses, is made.

The culture of the mulberry, for feeding silkworms, is an important industry in Turkey. Vine-growing and wine-making and the fisheries yield valuable returns. Excellent sponges are found off the Mediterranean coast.

Horses, mules, sheep, and goats are the principal domestic animals. Horses and mules are exported, as are also sheepskins and goatskins.

Turkey is rich in mines of coal, copper, lead, silver, iron, sulphur, and salt, but the deposits have not been much developed.

Among the manufactures of Turkey are carpets and rugs, for which the country has long been famous.

The rivers are not commercially important. There are 1,000 miles of railway. The main lines, which start from Constantinople and Salonika, have connections which place Turkey in direct railway communication with the rest of Europe.

Commercial Towns.—Constantinople, the capital, is the centre of the foreign commerce of Turkey. This city, being greatly favoured by its excellent geographical situation, carries on trade with nearly all the nations of the world. It has a large caravan commerce with western and central Asia. The caravans bring mohair, silk, and opium. Adrianople and Salonika are the only other large cities.

Commerce.—Great Britain imports from Turkey merchandise to the value of 5 millions sterling, the principal articles being corn, £2,000,000; wool, £1,000,000; fruit, £750,000; gum, seeds, and opium, £500,000; and sponges, £100,000. The value of the exports from the United Kingdom to Turkey is about £5,500,000, the principal articles being textile fabrics, £4,000,000: coal and metal goods, £500,000.

(2) *Turkey in Asia.*—Asia Minor, or the Levant, comprises the greater part of Asiatic Turkey. It is a region lying between the Black Sea on the north, and Arabia on the south, and having Persia on the east, and the Mediterranean Sea on the west.

Turkey in Asia is more hilly than the European part of the Empire. The central region is an elevated plateau, dotted with hundreds of hamlets and villages. Here goats and sheep are herded in great numbers. In the south there are fertile valleys, which produce wheat, maize, tobacco, cotton, and numerous fruits.

The United Kingdom imports from Turkey in Asia wool, opium, fruits, skins and liquorice. Most of the emery used in the arts comes from this region.

Chief Commercial Towns.—Smyrna, on the Mediterranean coast, is the chief seaport and commercial city. It possesses an excellent harbour, and has trade with nearly all commercial countries. The rugs exported from this place, though all woven in the interior of the country, are known in the markets as "Smyrna" rugs. Fig-culture is a great industry in the surrounding region. The caravan routes, which terminate here, have been used for centuries, and over them a busy trade is carried on with the interior of Asia.

Damascus, the capital of Syria, is the starting point for many caravans. In its famous bazaars oriental products and wares of every description are sold. It is as large as Smyrna.

Beyrout, on the Mediterranean coast, sixty miles from Damascus, with which it is connected by railway, is a flourishing commercial port. It carries on a busy traffic with other Mediterranean ports, and, since the opening of the Suez Canal, with India and China.

Great Britain is largely represented by consuls or vice-consuls in Turkey—both European and Asiatic. They are to be found at Adrianpole, Aduana, Antioch, Bagdad, Bassora, Benghazi, Beyrout, Brusa, Damascus, Erzerum, Gallipoli, Jiddah, Jerusalem, Salonica, Scutari, Smyrna, Trebizond, and Tripoli. Turkey has consuls or vice-consuls in the United Kingdom at Birmingham, Cardiff, Dublin, Glasgow, Hartlepool, Hull, Leith, Liverpool, London, Manchester, Southampton, Sunderland, and Swansea.

Mails are despatched to Turkey twice daily. The time of transit to Constantinople, which is 1,814 miles from London, varies from three to four days. The cost of telegrams is 6½*d.* or 11*d.* per word. Private telegrams in code or cypher are not accepted for Turkey and the Turkish Islands.

TURN OF THE MARKET. (Fr. *Différence*, Ger. *Unterschied*, Sp. *Diferencia.*)

The difference between the two prices quoted in the list of stocks and shares. For example, when consols are quoted at two prices, it means that a stock-jobber is willing to buy at the lower and to sell at the higher price, the difference between the two quotations being the "jobber's turn," or "the turn of the market."

TURN OVER. (Fr. *Chiffres d'affaires*, Ger. *Umsatz*, Sp. *Total.*)

The amount of money which has been traded upon by buying and selling during a certain period.

TYPE. (Fr. *Type, caractère*, Ger. *Druckbuchstabe*, Sp. *Tipo.*)

The metal characters used in printing. All type-founders cast their type as nearly as possible to one uniform height, but the letters may have varying breadth. The ordinary type used in this volume is Minion or 7-Point. Each column has 63 lines, and is technically known as 11½ Pica ems wide, the total width of page including centre rule being 24 Pica ems.

The following are the names of the different kinds of type most frequently used in printing, with an example of each, and about the number of letters which would be contained in a page the same size as this Guide :—

Pearl (*or 5-Point*), 10,240 letters.
This type is used mostly in book work, and is known as
This is not the smallest size, but the
two smaller sizes are rarely used.

Nonpareil (*or 6-Point*), 6,800 letters.
This type is used mostly in book work, and is

Minion (*or 7-Point*), 4,850 letters.
This type is used mostly in book work, an

Brevier (*or 8-Point*), 3,020 letters.
This type is used mostly in book work,

Bourgeois (*or 9-Point*), 3,320 letters.
This type is used mostly in book w

Long Primer (*or 10-Point*), 2,560 letters
This type is used mostly in book

Small Pica (*or 11-Point*), 2,200 letters.
This type is used mostly in b

Pica (*or 12-Point*), 1,700 letters.
This type is used mostly i

English (*or 14-Point*), 1,350 letters.
This type is used mostly

Great Primer (*or 18-Point*), 830 letters.
This type is used m

Type is now almost invariably cast on what is termed the point system, which varies slightly from the old system, and the equivalents in points are shown in italics.

U. This letter is used in the following abbreviations :—

U/a., Underwriting account (marine account).
Ult., Ultimo—of the last month.
U.S.A., United States of America.
U/w., Underwriter.

UGANDA. This is a British protectorate situated on the northern shores of Lake Victoria Nyanza. It lies between the Congo Free State on the west, and the East African Protectorate on the east. The area is about 120,000 square miles, and the population is estimated at 4,000,000.

There is a railway connecting Lake Victoria Nyanza with Mombasa on the sea coast—a distance of nearly 600 miles.

Wheat, maize, millet, and bananas are cultivated, and the climate and the soil are reported to be admirably adapted for the growth of cotton. At present the principal export is ivory.

Mails are despatched once a month via Brindisi. The time of transit is twenty-two days. The cost of telegrams is 2*s.* 6*d.* to 2*s.* 10*d.* per word.

ULLAGE. (Fr. *Manquant, vidange*, Ger. *Manko*, Sp. *Merma.*)

(1) The waste in casks or bottles of liquids owing to leakage, breakage, evaporation, or racking.

(2) The difference between the full capacity of a cask, etc., and the quantity it actually contains.

ULTIMO (Latin). (Fr. *du mois dernier, de l'écoulé, écoulé*, Ger. *voriger Monat*, Sp. *Último.*)

The last month.

UMPIRE. (Fr. *Tiers arbitre*, Ger. *Schiedsrichter*, Sp. *Arbitro.*)

A person who is called in to decide a dispute. In arbitrations the umpire is a third person selected by the arbitrators themselves to decide between them when they have failed to agree.

UNDER PROTEST. (Fr. *Protesté*, Ger. *mit Protest*, Sp. *Bajo protesta.*)

Money is said to be thus paid when it is illegally or excessively demanded, and paid to avoid the threatened consequences.

UNDERWRITER. (Fr. *Assureur maritime*, Ger. *Assekurant, Versicherer*, Sp. *Asegurador.*)

A marine insurer, so-called because he underwrites or subscribes his name to each policy in which he is concerned, as a guarantee that, in case of loss, he will be answerable for the amount subscribed by him. (See *Lloyd's.*)

UNDERWRITING CAPITAL. (Fr. *Assurance de capital*, Ger. *Kapitalversicherung, Kapital zeichnen*, Sp. *Seguro de capital.*)

Underwriting is a species of insurance, or rather it is the application of the principle of insurance to company formation. Its object is to guard against the risk that shares, debentures, or debenture stock offered for public subscription may not be taken up. This is effected by a certain number of people, who are called "underwriters," guaranteeing that they themselves will subscribe the whole or a portion of the shares, debentures, or debenture stock if the public fail to do so. Since the passing of the Companies Act, 1900, with the provision as to "minimum subscription," before going to allotment, it is clear that many projected enterprises must be ruined unless a considerable portion of the capital is practically secured before the concern is offered to the public.

Generally the underwriting is done by a number of persons, but sometimes the whole of an issue is underwritten by a company or by one or two persons. The *modus operandi* is thus described by Mr. Palmer: "The underwriter writes a letter addressed to the founder or promoter or to the company, agreeing to underwrite a specified amount of what is to be offered, upon the footing that he is only bound to take up his rateable proportion of what the public do not take up; and that in any event he is to be paid a commission, either in cash or paid-up shares, or in some other shape. Such a letter is generally expressed in the form of an agreement . . . but in effect it operates only as an offer, and, to become binding—to be converted into a contract—it must be accepted by the other party, and notice of such acceptance given to the underwriter. The acceptance may be in writing or oral, and it is *primâ facie* no objection that the notice of acceptance is not given until after the list has closed, for the court is not disposed to import into underwriting contracts implied conditions in derogation of the express terms of the contract. The underwriting letter usually provides that if the underwriter makes default in applying, the other party to the underwriting agreement may apply for the shares on his behalf. This authority, if properly framed, is effective and irrevocable where there is a complete contract, as above; for, in such cases, it is one of the terms of the contract that the authority shall subsist, and it is not open to one party to a contract by any notice to the other to revoke what is a term of the contract. It happens sometimes, however, that such an authority is expressed in contingent terms, as, for instance: 'I will, if called

on by you, subscribe, etc., and if I make default you are to be at liberty, etc.' Where this is the case, the authority does not arise until after condition performed, that is, after the underwriter has been called on to subscribe: and, accordingly, if the other party exercises the authority before that has been done, the allotment will be ineffective. Even where the underwriting letter has not been accepted by the person to whom it was addressed, and there is, therefore, no contract, the underwriter may, in some cases, be held bound by an application made by the other party in professed exercise of the authority conferred by the letter in his possession. The principle of this is that the applicant has an apparent authority from the underwriter to apply, and the underwriter is therefore, as against the company accepting the application in good faith and without notice of any qualification or condition affecting the authority, estopped from denying the validity of the authority. . . . The principle would, of course, not apply if the company knew from the form of the letter or *aliunde* that the authority was qualified or conditional.

"An agreement to take shares must be distinguished from an agreement to place shares. One who merely agrees to place does not underwrite, and is not bound to take those he does not place.

"A contract to underwrite debentures is not specifically enforceable; the remedy sounds only in damages. The real security for the performance of the contract and payment of subsequent instalments is the liability to forfeiture of application moneys and earlier instalments."

Before the passing of the Companies Act, 1900, the business of underwriting capital was carried on between the underwriters and the promoters or vendors of the company, since it was doubtful whether the company could legally pay any commission in respect of the same. By section 8 of the new Act, however, it is lawful for a company to pay such commission, but under the following conditions:—

(1) The shares of the company, or a portion of them, must be offered to the public for subscription.

(2) The commission proposed must not be in excess of the rate authorized by the articles of association.

(3) The agreement to pay and the rate to be paid must be disclosed in the prospectus.

The amount of rate of commission to be paid should not be too high, otherwise difficulties may arise, seeing that in a recent case it was held that the payment of a commission of 7*s.* per 10*s.* share to subscribers, and also of a commission to underwriters, was a scheme to issue shares at a discount and therefore *ultra vires*. It is not easy to see the reason of this decision, because the financial result of underwriting is always practically to issue shares at a discount.

If an underwriter takes up the shares of a company on the faith of a prospectus which contains misrepresentations, he has the same right to repudiate his shares as any other subscriber.

An agreement to underwrite capital, like any other agreement, requires a 6*d.* stamp. If under seal a 10*s.* deed stamp is necessary. There is no need of an additional power of attorney stamp because the contract contains an authority to apply for shares on behalf of the underwriter.

UNFUNDED DEBT. (Fr. *Dette flottante* Ger. *schwebende Schuld*, Sp. *Deuda flotante.*)

Also called floating debt. It consists of loans of money borrowed for short periods, which the Government is bound to pay off at certain fixed dates, and is represented by exchequer bills, exchequer bonds, and treasury bills and bonds.

UNIFIED STOCK. (Fr. *Dette unifiée*, Ger. *konsolidierte Schuld*, Sp. *Deuda unificada.*)

The name given to the several loans, bearing different rates of interest, which have been amalgamated into one common debt, bearing a fixed rate of interest, in a similar manner to what has been done by consolidating annuities in England.

UNITED KINGDOM. For the sake of convenience the manufactures, canals, railways, chief towns, and trade routes of Great Britain and Ireland are here collected under one head.

MANUFACTURES. *Blankets.*—Blankets are made at Dewsbury and Wakefield, in the West Riding of Yorkshire, and at Witney, in Oxfordshire.

Boots and Shoes.—The practice, which formerly prevailed, of making boots and shoes to order, by single workmen at their own homes, is now exceptional. Boots, shoes, slippers, and their parts, are manufactured, in enormous numbers, by machinery, at shoe factories, and are sold through wholesale

houses. Even those tradesmen who still make boots and shoes at home usually purchase the uppers ready-made from wholesale houses, and merely stitch or peg on the soles in their own workshops. Leeds, Northampton, Stafford, Leicester, Nottingham, Norwich, and London are the principal towns in which shoe manufacturing is carried on in this country. Many of the so-called French boots are made by English manufacturers with fronts imported from France; and there exists also an import of French boots. The value of the boots and shoes annually exported is about one million and a half sterling, and they are distributed in order of value to British South Africa, Australasia, British West Indies, British India, and Brazil.

Breweries.—The character of the water employed in brewing beer has much to do with the quality of the product. London porter, Dublin stout, and the ales of Burton-on-Trent are examples of this. The best beer is produced from water containing a considerable amount of salt, gypsum, and chalk, and such as is free from organic matter. The export trade of Great Britain in ale and beer amounts to more than a million and a half sterling annually; the principal customers, with the single exception of the United States, being members of the British Empire. They are, in order of value, Australia, India, the United States, South Africa, British West Indies, and Egypt.

Cabinet Making.—Cabinet making is the general term applied to household furniture made of wood. The great seats of the cabinet making trade are Shoreditch and Hoxton, in London, but chairs are made at High Wycombe, in Buckinghamshire.

Carpets.—The principal kinds of carpets made in the United Kingdom are Axminster, Brussels, Dutch, Felt, Kidderminster, Tapestry, Velvet Pile, Venetian, and Wilton, which are chiefly made in the West Riding of Yorkshire, at Halifax; in Lancashire, at Rochdale; and in Scotland, at Kilmarnock and Dundee.

Axminster Carpets, which derive their name from Axminster, in Devonshire, where they were first made, are expensive, as, like Turkey carpets, the coloured worsted is tied to the warp in tufts. Each carpet is made in one piece.

Brussels Carpets are made at Kidderminster and in the West Riding of Yorkshire.

Dutch Carpets, sometimes called string carpets, because dyed hemp enters into their composition, are woven on ordinary looms.

Printed Felt Carpets are made of coarse wool and hair, upon which the pattern is printed.

Kidderminster, or Scotch Carpets, present the same pattern on both sides, with the colours reversed.

Tapestry Carpets are made of one yarn dyed different colours at different parts of its length.

Wilton Carpets have the loops of yarn cut so as to present a velvet-like surface.

Indian and Turkey Carpets are imported, but imitations are made in this country. A Turkey carpet has no admixture of green, the sacred colour of the Mahometans.

The carpets known as Brussels are chiefly made at Kidderminster, in Worcestershire, while the so-called Kidderminster carpets are manufactured at Halifax in the West Riding of Yorkshire, at Rochdale in Lancashire, and in Scotland.

Cheese.—Although many cheeses are annually made in this country, the import is very large, amounting to nearly 7 millions sterling annually. Bath and Yorkshire cream cheeses are soft, and will only keep a short time; Stilton is an intermediate quality; but Cheshire, Gloucester, and Cheddar cheeses are hard, and intended for long keeping.

Cider.—In England cider is chiefly made in the Herefordshire district and in Devonshire, where it is much used as a beverage.

Clocks and Watches.—In England this branch of manufacture is chiefly confined to London, Birmingham, Coventry, and Prescot. Clerkenwell is the headquarters of the trade in London. Watch movements are made in Prescot and other places in Lancashire; the London workmen make the other parts and put them all together. Thus, a Clerkenwell watchmaker buys his movements from Lancashire, and employs tradesmen to complete the watch; these being not merely workmen, but small master tradesmen. The work of making a London watch is very much subdivided, and each one may pass through more than one hundred hands, even after the movements have been made in Lancashire.

Swiss watches have long been noted for beauty of workmanship and cheapness of production. Recently a great

number of American watches, the movements of which are made by machinery, have come into the English market. The United Kingdom imports annually watches and parts of watches amounting to about a million and a quarter sterling.

Cooperage.—Cooperage, or the making of barrels and casks, is largely carried on in London, Burton-on-Trent, and in all towns where there are many breweries or distilleries. Five kinds of oak are employed in this industry, namely, Quebec, Virginia, Dantzig, Hambro', and English.

Copper Smelting.—The principal seat of copper smelting in Great Britain is at Swansea, in South Wales, which furnishes annually 20,000 tons of refined metal. Two-thirds of the ore is sent from Cornwall; the rest from Cuba, Chili, Spain, and South Australia. Most of the ores contain copper and iron, in combination with sulphur and arsenic; the Chili ores often contained a large quantity of silver.

Cotton.—As early as the year 1641 Manchester began to be noted as a town where cotton was manufactured; but, before the invention of machinery and the rise of the factory system, the cotton manufacture of England was of little importance. The weavers, dispersed in cottages throughout the district, purchased the cotton with which they worked. Having spun it and woven the cloth, they took their goods to market and sold them on their own account.

Sea-island and long-stapled Egyptian cotton are the varieties from which the finer kinds of yarn are spun; and from them muslins and laces are made. Cambrics, shirtings, and calicoes are made from Brazilian and the better classes of American cotton. Coarse yarns, used for making fustians and other heavy fabrics, are spun from the inferior qualities of America and Surat. From wefts of wool and worsted and warps of cotton several varieties of Coburg and Orleans cloth, mousselines-de-laine, damasks, and similar fabrics are made. Yorkshire broad-cloths are, some of them, quite half cotton; and fabrics are also made of flax and cotton, silk and cotton, and so on.

Raw cotton to the value of 41 millions sterling is annually imported into the United Kingdom, chiefly from America, Egypt, and India. Of the entire amount of cotton yarn manufactured in this country one-fourth is exported.

Cotton goods are chiefly made in Lancashire, Cheshire, and the neighbouring districts of Yorkshire and Derbyshire, also in Lanark and Belfast, probably employing half a million hands, keeping 42 million spindles constantly at work, and employing a capital of 30 millions sterling.

The chief towns involved in this gigantic trade are:—

Manchester, Salford, Blackburn, Preston, Bolton, Rochdale, Wigan, Oldham, Ashton, Bury, Chorley, Burnley, and Accrington, in Lancashire; Stockport, Dukinfield, and Hyde, in Cheshire; Glossop, in Derbyshire; Glasgow and Paisley, in Scotland; and Belfast, in Ireland.

The export of cotton yarn and other manufactures reaches the enormous amount of above 69 millions, made up as follows:—

Cotton goods, white or plain	£29,422,412
Ditto printed . . .	22,982,937
Ditto yarn . . .	7,743,026
Sewing cotton	3,933,876
Cotton hosiery . . .	393,479
Ditto lace and patent net	2,670,869
Ditto (other manufactures)	2,626,551
	£69,773,150

Cutlery.—The term cutlery includes all cutting instruments, such as scissors, razors, pen-knives, table-knives, hatchets, edge-tools, and similar articles. The manufacture of cutlery has been brought to great perfection in the United Kingdom; the principal factories being in London, Birmingham, and Sheffield.

Our export trade in cutlery amounts to over half a million sterling, the largest purchasers in order being Australasia, the United States, British South Africa, British North America, and British East Indies.

Damask.—Flowered ribbons and the costly silks and satins of Spitalfields, London, are specimens of damask manufacture.

Gauze.—Gauze is a light silken fabric, originally manufactured, it is said, at Gaza, in Palestine, whence the name. It is now made chiefly at Glasgow, Paisley, and in France and Switzerland.

Gin.—Gin is an ardent spirit largely distilled in London. Both English and Hollands gin consists of plain corn spirit, slightly flavoured with oil of turpentine and other substances.

Gingham.—Gingham is a cotton fabric generally bearing a check pattern of interwoven threads. Originally made in India, it is now largely exported to that country from South Lancashire.

Glass.—Glass is made in immense *quantities at* St. Helens, Newcastle-on-Tyne, Stourbridge, and Bristol.

Gloves.—Some particular kinds of gloves are named from the place of manufacture, as Berlin, Woodstock, Limerick, and Kendal. Gloves are also made in and around Yeovil, in Somersetshire, and at Worcester. Yeovil makes a specialty of white kid gloves, although its share of the trade in other kinds is very great.

Hair Manufacture.—The trade in human hair is very considerable, and much more important than would be supposed. A very large quantity is imported into London every year for making wigs and false curls. The fair hair nearly all comes from Germany, and the dark from France. Next to human hair manufactures come those of the horse and other animals used in the manufacture of brushes.

Hosiery.—The manufacture of stockings or coverings for the legs and feet, forms a considerable portion of the trade of this country. It is chiefly carried on at Derby, Belper, Leicester, and Nottingham. Silk hosiery is generally manufactured at Derby, woollen hosiery at Nottingham. The exports of hosiery from this country are very considerable, but the trade meets with much foreign competition, especially from Saxony.

Hooks and Eyes.—These small dress fasteners are made with great rapidity by machinery, chiefly at Redditch.

Hardware.—Hardware is the name given to iron goods in general, which are manufactured on the South Staffordshire Coalfield, the Yorkshire Coalfield, the South Wales Coalfield, the Scottish Coalfield, and elsewhere, as shown in the following table :—

Articles.	*Towns in which Made.*
Anchors	Cradley (Worcestershire).
Anvils	Ditto, and Birmingham.
Armour plates	Sheffield, Glasgow.
Bolts	South Wales, Smethwick, and Dudley.
Buttons	Birmingham.
Cables (chain)	Cradley.
Ditto (telegraph)	Silvertown (Essex).
Cannons	Woolwich, Newcastle.
Corrugated iron	Wolverhampton, Bristol.
Crucibles	Stourbridge (Worcestershire).
Cutlery	Sheffield.
Cycles	Coventry, Nottingham, Birmingham, and Wolverhampton.
Files	Sheffield.
Galvanised iron	Wolverhampton, Bristol, Tipton.
Guns	Birmingham, Newcastle.
Hinges	Bromsgrove, Wolverhampton, Willenhall, and Birmingham.
Locks	Wolverhampton, Willenhall.
Locomotives	Birmingham, Leeds, Glasgow, Manchester, and railway centres.
Machinery (agricultural)	Ipswich, Lincoln, Grantham, Bedford, Norwich, and Banbury.
Machinery (manufacturing)	Birmingham, Sheffield, Manchester, Newcastle, Leeds, Oldham, Bolton, Leicester, Keighley, Smethwick.
Nails	Birmingham, Dudley, Bromsgrove, Halesowen (Worcester).
Needles	Redditch.
Pens	Birmingham.
Pins	Birmingham.
Rails	Dowlais, Merthyr, Wednesbury, and Barrow.
Rifles	Birmingham, Enfield.
Screws	Birmingham.
Tinplates	Swansea, Neath, Llanelly, and in the Forest of Dean.
Tin and zinc lined goods	South Wales and South Staffordshire, Birmingham, London.
Tools	Sheffield, Birmingham, London.
Tubes	Wednesbury, Darlaston, Birmingham, and Smethwick.
Wire	Warrington, Birmingham.
Zinc lined goods	Bilston, Wolverhampton, Tipton.

Iron.—There are three important branches in the iron trade :—

(1) The smelting of ironstone, that is, the manufacture of pig-iron.

(2) The manufacture of hardware, as goods made of iron are generally termed ; and

(3) The manufacture of steel.

The chief iron-smelting districts are :—

(1) The Cleveland district of the North Riding of Yorkshire, with its chief town, Middlesborough. Nearly one-third of the ironstone produced in England is smelted here.

(2) The Furness district of North Lancashire contains the busy towns of Barrow-in-Furness and Dalton-in-Furness. This district is devoted to the smelting of hematite, and to the manufacture of steel by the Bessemer process.

(3) The South Staffordshire Coalfield supplies the busy towns of Wolverhampton, Dudley, West Bromwich, Walsall, Bilston, and Tipton, in all of which the smelting of ironstone goes on.

(4) The South Wales Coalfield. In the mountain valleys of this region much iron is manufactured, especially in and around Merthyr Tydvil and Aberdare.

(5) The York, Derby, and Nottingham Coalfield has its smelting centre round Rotherham.

Lace.—Lace is said to have been manufactured by machinery as early as the year 1768, by a stocking weaver of Nottingham. It is certain that a few years afterwards Nottingham became the centre of the machine-made lace trade.

Lawn.—Lawn is a fine variety of cambric formerly made exclusively in France and Flanders, but now manufactured at Barnsley, in Yorkshire, Dunfermline, in Scotland, and in the north of Ireland.

Linen.—About the middle of the eighteenth century the inventions of Hargreaves and Arkwright were applied to the manufacture of linen at Leeds, which is still a great centre for flax-spinning, the weaving being carried on elsewhere. Linen, duck, tick, huckaback, diaper, drill, towelling, and other flax fabrics are woven at and about Barnsley, while sailcloth, dowlas, sheeting and other strong textile fabrics are manufactured at Dundee and also at Aberdeen. Shirtings, damasks, tablecloths, and other fine fabrics, are made at Dunfermline ; while Belfast is famous for good linen and the finer kinds of textile goods.

Muslin.—Muslin is a thin, fine cotton fabric, which, until the early part of the present century, was made solely in India, by hand, but fine muslins are now made by machinery in this country.

Nails.—Until recently, nails were all made by hand, but now many are made by machinery, the great seat of the manufacture being at Birmingham. Wrought nails are made in the villages round about that town, and cut nails are produced by steam power in large factories.

Oils.—The principal oils manufactured in this country are train oil, olive oil, various kinds of seed oil, cocoa-nut oil, and palm oil.

Paper.—The first paper maker in England seems to have been a man named Tate, who had a mill at Hertford early in the sixteenth century. Another mill was established at Dartford, in Kent, in 1588. There are now many mills, especially in Kent, Lancashire, and other counties, where water power is easily obtained.

Pen Manufacture.—The steel-pen manufacture forms an important branch of the Birmingham trade.

Porcelain.—In England but little progress was made in the manufacture of porcelain until towards the close of the eighteenth century, when supplies of kaolin were discovered in Cornwall. Now porcelain of superior quality is made at Derby and Worcester.

Pottery.—England holds the first place in the production of earthenware, and is followed by France and Germany, but the last named is far behind the other two. The most eminent of modern English manufacturers of pottery were Wedgwood and Minton. The great bulk of English earthenware is made in a district known as the Potteries, near Burslem, in Staffordshire, where the towns of Hanley, Stoke-upon-Trent, Tunstall, Longton, and Fenton are busily engaged in this industry, and the Doulton Works at Lambeth, London, have produced some very beautiful pieces of ware.

Rag Trade.—"It will probably be news to most people to learn that rags to the value of close upon a million sterling are imported into this country every year. The cotton and linen varieties are used in the manufacture of the better kinds of paper ; the woollen variety in the manufacture of shoddy, which is a very important branch of textile production. It is difficult for any one not familiarly acquainted with

the woollen district of Yorkshire to realize how great is the dependence of certain manufacturing centres on rags. Dewsbury and the small towns and villages in the immediate neighbourhood are the last refuge of the discarded rags of the world. Rags of all sorts in all conditions come from well-nigh everywhere—even from New Zealand and China—and are sold at the weekly auction sales and re-manufactured into army clothing and into some of the so-called 'all wool serges,' which are writ large in the tailors' shop windows and which serve to enhance the attractions of our cheaply gilded youth, all unconscious of the transmigrations through which the stuff has passed in its various lives. It is not discarded suits alone that are welcomed. Worn-out carpets, rugs and blankets, woollen shirts, underclothing, stockings, etc., everything, in fact, with a suggestion of wool in it, is subjected to the tender mercies of a machine known as the 'devil,' which tears it to pieces. The rags are, of course, chemically purified before being made up again, and are, indeed, partially purified before they undergo the disintergration process. It may be added that the shoddy industry is carried on in about 130 factories, and gives constant employment to thousands of machines and workpeople over a large area, and that there are firms which pay £5,000 or more every year in carriage alone on the bales they receive."

Saddlery.—A large trade is done in this work in England, many thousand pounds' worth of saddles being exported every year, and Walsall, in Staffordshire, is a great centre of this trade.

Shawl Weaving.—Of late, this industry has much declined, but many shawls are still made at Paisley.

Ship Building.—Ships, chiefly of iron and steel, are built on the Clyde, the Wear, the Tyne, and the Tees; at Hartlepool, at Barrow-in-Furness, and at Belfast.

Stocking Manufacture.—A brother of William Lee, the inventor of the stocking frame, introduced stocking-weaving to Nottingham, where it has since grown into a most important industry. Woollen stockings are made at Leicester.

Thread.—The most important places for the making of sewing thread are Paisley, in Scotland, and Leek, in Staffordshire.

Woollen Manufacture.—The art of spinning yarn and making woollen cloth was introduced by the Romans, and it has always been an important industry in this country. Woollen goods are made in the West Riding of Yorkshire, at a few towns in the West of England, in Wales, and in Scotland.

The manufacture of blankets is carried on principally at Dewsbury and Wakefield, in the West Riding of Yorkshire, and at Witney, in Oxfordshire.

In the West Riding of Yorkshire are Leeds, the chief market for woollen cloth; Bradford, noted for its worsteds; Dewsbury and Batley for shoddy goods. Welshpool, Dolgelly, and Newtown, in Wales, and Rochdale, in Lancashire, are celebrated for their flannels. The fine cloths of Bath, Trowbridge, Bradford-on-Avon, Westbury, Frome, and Stroud, in Somerset, Wiltshire, and Gloucester, are known as "West of England goods." In Scotland woollen goods are made at Galashiels, Hawick, Aberdeen, Stirling, Kilmarnock, and Bannockburn, the cloth manufactured in the southern part of this district being known as Tweed, from the river of that name.

MEANS OF TRANSPORT. *Rivers and Sea Ports.*—Many of the rivers of the United Kingdom are important commercially, as their mouths form havens, where seaports are situated. It will be noticed in the case of Great Britain that these seaports are situated in pairs, almost opposite each other; one on the west and the other on the east, as shown in the table.

WEST COAST.		EAST COAST.	
Estuary.	*Ports.*	*Estuary.*	*Ports.*
Clyde ..	Glasgow, Greenock ..	Forth ..	Leith, Bo'ness.
Solway ..	Carlisle	Tyne ..	Newcastle, etc.
Mersey ..	Liverpool ..	Humber ..	Hull.
Severn ..	Bristol	Thames ..	London.

In addition to the above, there are some noble harbours along the south coast of England, namely those of Falmouth, Plymouth, Southampton, and Portsmouth.

Ireland has many grand harbours, but few seaports. She has no foreign trade worth mentioning, her three ports, Belfast, Dublin, and Cork trading chiefly with Great Britain.

Canals.—The Canals, properly so-called, of England and Wales, constitute a length of about 3,000 miles of inland waterways, and represent a capital of about 19 millions sterling. There are also 354 miles of canal proper in Scotland and 755 miles in Ireland. About 1,350 miles of canals in England and Wales are owned by or are under the control of railway companies.

The greatest length in one canal is the Shropshire Union, 204 miles in length. This was acquired by the London and North-Western Railway Company, thus giving it access to Shrewsbury, Mid Wales, Hereford, and South Wales. The next greatest length in one canal, the control of which is also in the London and North-Western Railway Company is that of the Birmingham Canal Company, which is 160 miles in length. The Trent and Mersey Canal, now in the hands of the North Staffordshire Railway Company, is 116 miles long. The Kennet and Avon Canal, acquired by the Great Western Railway Company, is 86 miles long. The Lancaster Canal, acquired by the London and North-Western Railway Company, is 60 miles long.

There is now a navigable waterway from the North Sea to the Bristol Channel, providing a channel along which barges drawing four feet of water can pass. The way lies through the Thames and Severn canal, which has been re-opened, and the distance, from London Bridge to Lechlade Bridge on the Thames is 144 miles, while the length of canal from the Thames near Lechlade Bridge to the Severn is 39 miles.

The Gloucester and Birmingham Navigation Company possess the Sharpness docks on the estuary of the Severn, whence there is a ship canal, having a depth of fifteen feet to Gloucester. From Gloucester to Birmingham is an ordinary canal, and a good deal of trade is carried on between Bristol, Newport, Swansea, Cardiff and other places, on the one hand, as well as between Gloucester, Worcester, Birmingham and other towns on the other hand.

TABLE OF THE PRINCIPAL CANALS IN THE UNITED KINGDOM.

I.—In England.

Name of Company.	*Miles.*	*Connecting.*
Aire and Calder	93	Rivers Aire and Calder.
Birmingham	160	Grand Trunk and Grand Junction.
Coventry	33	Coventry and Birmingham.
Grand Junction	190	Birmingham and London.
Kennet and Avon	86	Rivers Kennet and Avon.
Lancaster	60	
Leeds and Liverpool	143	Mersey and Ouse.
Manchester Ship	35½	Manchester and the Mersey.
Bridgewater	42	Ditto Ditto.
North Metropolitan *	10¾	
Rochdale	35	
Sharpness New Docks and Gloucester and Birmingham	16 37	Birmingham and Worcester.
Shropshire Union	204	Severn and Birmingham.
Stafford and Worcester	51	Severn and Grand Trunk.
Trent and Mersey	116	
Warwick and Birmingham	22½	
Weaver	20	Chester and Grand Trunk.

* Better known as the Regent's Canal.

II.—In Scotland.

Name of Company.	*Miles.*	*Connecting.*
Caledonian	60	Fort William and Inverness.
Forth and Clyde		Dumbarton and Grangemouth.

III.—In Ireland.

Name of Company.	*Miles.*	*Connecting.*
Royal		Dublin and the Shannon.
Grand	361	Ditto Ditto.
Nowry		Loughs Neagh and Carlingford.
Ulster		Ditto Ditto.

Railways.—There are in the United Kingdom about 21,000 miles of railways. The chief lines are shown in the following tables :—

CHIEF RAILWAYS OF ENGLAND.

Railway.	*London Terminus.*	*Chief Towns on Line.*
London and North-Western (L. & N.W.R.)	Euston	Rugby, Crewe, Preston, Lancaster, Carlisle; Leeds and Manchester Holyhead; Birmingham; Liverpool.
Great Northern (G.N.R.)	King's Cross	Peterborough, Doncaster, York.
Midland (M.R.)	St. Pancras	Leicester, Derby, Sheffield, Leeds, Carlisle, Bristol.
Great Western (G.W.R.)	Paddington	Reading, Bristol, Exeter, Plymouth, Penzance; Gloucester, Swansea.
London and South-Western (L. & S.W.R.)	Waterloo	Southampton, Portsmth., Plymouth, Exeter.
Great Eastern (G.E.R.)	Liverpool Street	Cambridge, Norwich, Yarmouth, Ipswich, Colchester.
South-Eastern and Chatham (S.E. & C.R.)	Holborn Viaduct,	Chatham, Faversham, Croydon,
	London Bridge,	Canterbury, Dover,
	Cannon Street,	Tunbridge, Ashford,
	Charing Cross	Folkestone, Reading.
London, Brighton and South Coast (L.B. & S.C.R.)	Victoria	Croydon, Portsmouth, *Brighton*, *Newhaven*, Eastbourne.
North-Eastern (N.E.R.)		Normanton, York, Darlington, Newcastle, Berwick.
Lancashire and Yorkshire (L. & Y.R.)		Liverpool, Wigan, Bolton, Bury, Manchester, Rochdale, Wakefield, Normanton.
Great Central (G.C.R.)	Marylebone	Liverpool, Manchester, Sheffield, Grimsby, Nottingham, Leicester, Rugby.

CHIEF RAILWAYS OF SCOTLAND.

Railway.	*Chief Towns on Line.*
Caledonian	Carlisle, Gretna, Lockerbie, Glasgow, Stirling, Perth, Forfar, Stonehaven, Aberdeen.
North British	Berwick, Dunbar, Edinburgh, Linlithgow, Stirling, Alloa, Cupar, Dundee. Edinburgh and Dundee direct by Forth Bridge. Dundee to Aberdeen.
Glasgow and South-Western	Glasgow, Paisley, Kilmarnock, Dumfries, Annan, Gretna, Carlisle.
Highland	Perth, Dunkeld, Blair Athol, Forres, Nairn, Inverness, Dingwall, Tain, Thurso.
Great North of Scotland	Aberdeen, Peterhead. Banff, Ballater, Elgin.
West Highland	Glasgow, Helensburgh, Tarbet, Ardlui, Fort William.

CHIEF RAILWAYS IN IRELAND.

Great Northern	Dublin, Balbriggan, Drogheda, Dundalk, Newry, Belfast, Antrim, Coleraine, Londonderry, Donegal. [Galway.
Midland and Great Western	Dublin, Mullingar, Athlone, Ballinasloe,
Southern and Western	Dublin, Kildare, Waterford, Thurles, Tipperary, Mallow, Cork, Killarney.
Dublin, Wicklow, and Wexford	Dublin, Bray, Glendalough, Wexford.

COMMERCIAL TOWNS. *London.*—London is situated on both banks of the river Thames, at the head of its ocean navigation. At high tide the river at London Bridge is thirty feet deep. During the Roman occupation of Britain this site was at the head of the estuary; but in later times the river was embanked for miles below London, and the adjoining marshy lands were thus reclaimed. The city is about forty miles from the Nore lightship, which marks the mouth of the Thames. The seaport of London includes the whole of the river from London Bridge as far east as Gravesend, about twenty miles distant.

London is the capital of the United Kingdom, and the largest city in the world; it is also the world's greatest seaport and financial centre.

Six hundred years ago, when the most westerly of the Hanse "factories" or trading depôts, was London, it is thought that the city had a population of about 75,000. Even then it was the largest place in the island of Great Britain; and it has, ever since, been the political and business centre. The foreign commerce of the port was, however, of no great value until the great voyages of discovery led to the founding of the East India Company, the Virginia Company, and the Hudson Bay Company, all of which were established in the seventeenth century. In the year 1801 the population of London was less than a million; according to the latest returns available, it now contains nearly 4½ millions of people.

Although Liverpool has, in recent years, become a commercial rival of the metropolis, the latter still leads in the value of its trade both domestic and foreign. The imports of London are much greater than the exports, because the city itself contains more than 4½ millions of consumers, and is, besides, the railway centre and distributing point for the whole kingdom.

A vast coasting fleet sails from this port. Having no great rival on the eastern coast of the kingdom, London controls most of the British, foreign, and colonial trade with the Baltic and Mediterranean ports. Tea and other products from the east, by way of the Suez Canal, and wool from the Australasian colonies find their chief market in London, which is also the home port for most of the West Indian trade.

The local industries of London are as varied in character and as vast in extent as the greatness of the city would lead one to expect. If any occupations deserve special mention by reason of the numbers employed in them and the value of their products, it is to be said that no other city in the world brews so much malt liquor or does so great a publishing business.

The industries of London represent almost every kind of work which can be produced by the hand of man; but a few special ones are identified with particular districts, as shown in the following table:—

Architects	Westminster.
Bankers	Lombard Street, Princes Street, Lothbury.
Barristers	Inns of Court and the Temple.
Biscuit Manufacturers	Bermondsey.
Cabinet Makers	Shoreditch, Hoxton, and St. Pancras.
Candle Manufacturers	North Woolwich and Battersea.
Cattle Market	Caledonian Road, Islington.
Coach Builders	Long Acre.
Colonial Market	Mincing Lane.
Commercial Companies	Cornhill and King William Street.
Corn Market	Mark Lane.
Diamond Merchants	Hatton Garden.
Engineers	Westminster.
Foreign Fruit Market	Northern End of London Bridge.
Fruit Markets	Covent Garden, Farringdon.
Furniture Manufactures	Shoreditch, Hoxton, Tottenham Court Road.
Hop Merchants	Southwark.
Jam Makers	Bermondsey.
Jewellers	Clerkenwell.
Lawyers	Inns of Court and the Temple.
Leather Manufacturers	Bermondsey and Southwark.
Match Makers	Bow and Wandsworth.
Meat Market	Smithfield.
Opticians	Clerkenwell, Holborn, Norwood, Clapham.

Physicians	Harley Street, Cavendish Square.
Pickle Makers	Soho, Southwark.
Potters	Lambeth.
Publishers—Books	Paternoster Row.
Ditto Periodicals	Fleet Street, Blackfriars, Strand.
Scientific Instrument Makers	Hatton Garden.
Shipping Agents	Fenchurch Street, Leadenhall Street, Cockspur Street.
Shoe Manufacturers	Shoreditch, Bethnal Green, Hackney, Southwark, Newington.
Silk Weavers	Spitalfields and Bethnal Green.
Soap Makers	Deptford.
Stock and Share Market	Stock Exchange (behind the Bank of England).
Sugar Bakers	Whitechapel.
Tailors	Shoreditch, Bethnal Green, and the Tower Hamlets.
Tanners	Bermondsey.
Toy Merchants	Houndsditch.
Watch Makers	Clerkenwell.

Glasgow.—Glasgow, on the river Clyde, the largest city of Scotland, is the second city of the British Isles, and has the honourable distinction of being one of the best governed cities in the world. Its population is less than one-seventh that of London; and, like Liverpool, it has only become a great city within the last hundred years. As a port on the western coast of Great Britain it is favourably situated to receive raw materials from America. Thus, before the Revolutionary war in America in the eighteenth century broke up the trade, most of the tobacco from Virginia and the Carolinas found a market in Glasgow. Similarly, raw cotton was a great import here during the earlier and middle part of the nineteenth century. This trade was interrupted by the Civil War in America; but what Glasgow lost by its stoppage was more than made good by the development of her ship-building industry. The American Civil War threw most of the carrying trade of the United States into British hands; and nearly all the new ships required for it were built on the Clyde.

Lying in the heart of the coal and iron region of Scotland Glasgow is now the centre of a great cotton manufacturing district, and the ship-yards for building iron vessels here, and lower down the Clyde, are the largest in the world. The river from Glasgow to the head of the estuary was quite shallow at the beginning of the nineteenth century; but its channel has been deepened, so that the largest steamships now come to the splendid docks of this port

The chief manufactures of Glasgow are cotton goods, especially muslins, ginghams, and calicoes. In connection with the bleaching and calico printing are extensive chemical works. Among woollen goods manufactured here, curtains, hangings, and all kinds of carpets must be mentioned. Marine engines, locomotives, and sewing machines are turned out in vast numbers. Glasgow controls the iron trade of Scotland, but this is much less important than the same trade in England.

A large part of the Scottish west coast herring catch is marketed at Glasgow, although Wick, a small town in the extreme north-east, has been, for fifty years, the headquarters of the Scottish herring fisheries.

Liverpool.—Liverpool, the second city of England in population and commerce, is situated on the river Mersey, about three miles from the Irish Sea. It is the most important port on the west coast of Great Britain, and contains more than half a million people. The Mersey, at Liverpool, is about a mile wide, and the docks and wharves extend for six miles along the north-eastern bank of the river, while, on the opposite bank, are the great docks of Birkenhead. The two are connected, by a railway, under the bed of the river; and, together, they form one great port.

Liverpool is a city of modern growth. Previous to the invention of machinery suitable for textile manufactures and the consequent spread of the cotton culture in the southern states of the American Union the town was a small one, carrying on a considerable trade with Ireland. The development of cotton and woollen manufactures in that part of South Lancashire lying behind Liverpool has made this city one of the great trading ports of the world.

The imports are chiefly raw materials from the United States, Canada, South America, West Africa, and the West Indies, especially cotton, grain, animal products, tobacco, sugar, etc. The principal exports are manufactured goods of cotton, wool, and iron. The value of the manufactured exports, which are widely distributed, is much greater than that of the crude imports.

Liverpool itself is not a noted manufacturing city; but sugar is refined and tobacco is manufactured in great quantities at this port, where they are largely received into the United Kingdom.

Manchester.—The city of Manchester is situated on the Irwell, a small tributary of the Mersey, about thirty-five miles inland from Liverpool. With the county borough of Salford, on the opposite bank of the river, it forms one immense mass of factories, dwellings, warehouses and shops, having a population of over 700,000 people, to which Salford contributes over 200,000.

Manchester is the centre of the chief industrial district of England, and is famed throughout the world for its cotton and woollen goods. Liverpool is the port through which this trade has been carried on in the past; but a ship-canal has been constructed, which enables the largest ocean steamships to come directly to the Manchester docks.

Manchester Ship Canal.—This great engineering feat, which is known as the Manchester Ship Canal, was begun in 1886, and was opened for traffic in November, 1893. It is 26 feet deep, and 120 feet wide across its floor, with numerous side-basins, or widenings, for the accommodation of shipping. For two-thirds of its length the canal is little else than a new, straight and deep channel for the Mersey itself. The principal docks, with a frontage of more than four miles, are on the Salford bank. The canal is entered from the sea at Eastham, a point in the Mersey estuary, about four miles above Birkenhead.

Birmingham.—Of the large inland factory towns of the United Kingdom which have grown up on or near the great coal-fields, Birmingham holds the first place. It is a city of more than 520,000 people, famous for its manufactures of metal goods. These include brass wares, and all kinds of iron and steel products, from the heaviest machinery to the smallest hardware goods. The neighbouring towns and villages, as Wolverhampton, Walsall, West Bromwich, Wednesbury, Redditch, Dudley, Halesowen, Smethwick, Oldbury, etc., have similar industries, iron and coal being mined near by.

Leeds.—Leeds, the sixth city in population of the United Kingdom, situated in the West Riding of Yorkshire, is the centre of a great trade in clothing, leather, and machinery. There are also large chemical works. It has a population of 430,000.

Sheffield.—Sheffield, with about 382,000 people, also in the West Riding of Yorkshire, has long been noted for its cutlery. Close to the town are coal and iron mines and grindstone quarries. Steel rails and armour plates for ironclads are also made here in great quantities.

Edinburgh.—Edinburgh, the ancient capital of Scotland, is a city containing over 300,000 people, and is situated on the southern shore of the Firth of Forth. It is an educational and distributing rather than a manufacturing city; but it has long been famous for its great publishing business, including establishments for type-founding, engraving, printing, and book-binding. Liquors, furniture, brassware, and glass are also made here.

Belfast.—Belfast, the largest and busiest city of Ireland, is of about the same size as Edinburgh, and is the only considerable manufacturing town in the Emerald Isle. It produces more linen goods than any other city of the world. All the flax of the neighbouring counties of Ireland is manufactured here, and additional supplies are imported from the continent of Europe. There are, also, great ship-building yards at Belfast in which iron steamships for the "White Star" and other lines have been built.

Dublin.—Dublin, the capital of Ireland, is situated on the east coast, opposite to Liverpool. It is a city slightly less than Belfast in size. Most of the direct trade between Ireland and Great Britain is carried on through Kingstown, the port of Dublin, situated a few miles below the city on the shores of Dublin Bay. Whiskey is distilled and porter is brewed in great quantities at Dublin, which has no other manufactures.

Bristol.—Bristol, near the estuary of the Severn, is a very old port containing 329,000 people. It carries on a considerable trade with America, particu-

larly in the import of tobacco from the West Indies. As a result, large tobacco factories are to be found here, and there are also cocoa and chocolate works and extensive boot and shoe factories. A large fruit trade has recently sprung up, particularly in imports from the West Indies and South America.

Bradford.—Bradford, a town of more than 280,000 people in the West Riding of York-hire, is the chief seat of the worsted manufacture. Silk velvet is another product of this busy, go-ahead place.

Nottingham.—Nottingham, an old midland town, slightly less than Bradford, is famed for its cotton hosiery and machine-made lace.

West Ham.—To the east of London and separated from it by the river Lea, lies the borough of West Ham, a town of wonderful but recent growth. Manufactures of matches, soap, chemicals, and artificial manures are carried on here.

Hull.—Hull, or more properly Kingston-on-Hull, situated on the Humber estuary, is a port containing 240,000 people. Once chiefly famous as a fishing port, it has now a busy continental trade, especially with Hamburg and Bremen, directly east of Hull across the North Sea. It also communicates with the ports of Norway, Sweden, and Denmark. Hull has a magnificent system of docks.

Salford.—See under *Manchester.*

Tyne Ports.—Newcastle-upon-Tyne with North Shields and South Shields are grouped together in the Returns of the Board of Trade as the Tyne Ports. Newcastle, with 215,000 inhabitants, is much the largest of these Tyne Ports, which do a vast amount of coal exporting. Newcastle has also shipbuilding yards and glass-making factories.

Portsmouth.—Portsmouth, the principal home station of the British navy, finely situated behind the Isle of Wight, is strongly fortified.

Dundee.—Dundee, the third city of Scotland, has more than 160,000 inhabitants. It is situated on the Firth of Tay, forty miles to the north of Edinburgh. The harbour is commodious, and has an admirable system of docks, besides great ship-building yards. This port is the headquarters of the Scottish whale and sea fisheries.

This city has long been known for its manufactures of flax, and it still produces more linen goods than any other town in Great Britain; but the foremost industry of Dundee is the manufacture of jute fabrics, a business which has grown to enormous proportions within the last half century. The raw jute comes directly to Dundee from Calcutta, and Dundee merchants have even set up jute mills in Calcutta itself. Hemp is another coarse fibre imported and manufactured into textile fabrics here.

Leicester.—Leicester, a very ancient midland town of over 210,000 inhabitants, has shoe and lace factories, but it is best known for its woollen hosiery.

Oldham.—Oldham, a smoky town of South Lancashire, with over 130,000 people, is noted for its cotton yarn.

Sunderland.—Sunderland, at the mouth of the Wear, ten miles south of Newcastle, a town about the same size as Oldham, is an outlet for the produce of the rich coal mines of Durham, and the most important ship-building centre in England.

Cardiff.—Cardiff, the largest town in Wales, does an immense coal trade. It has a population of about 165,000.

Blackburn, Bolton, etc.—Next to Liverpool, Manchester, and Oldham, the largest towns in South Lancashire are Blackburn, with 127,000 people; Bolton, with 168,000: Preston, with a population of 113,000; Burnley, with 97,000 inhabitants; Ashton, with 6,000 less; and Bury, having a population of 57,000. These towns are all interested in the cotton trade.

Aberdeen.—Aberdeen, the fourth city of Scotland, is nearly as large as Brighton. It is situated on the north-east coast of that country, on a harbour, naturally poor, which has been greatly improved by breakwaters and piers. The industries and commerce of this port are in a flourising condition. Woollen cloths and carpets, linen sheetings, towellings and canvas, chemicals, machinery of many kinds, paper and envelopes are the leading products. The largest comb factory in the world is established here. There are busy ship-building yards in the harbour, and hundreds of boats from Aberdeen take part in the herring fisheries. Very fine granite has long been quarried in the neighbourhood; the city is built of it, and the streets are paved with it.

Derby.—Derby, an old midland town of about 110,000 people, is noted for its manufactures of silk hosiery and porcelain. The headquarters of the Midland Railway Company are here.

Swansea.—Swansea, the second town

of Wales, does a vast business in the smelting of lead, iron, and copper. The iron ores of northern Spain are received here; the copper ores come mainly from Cornwall and Devonshire, on the other side of the Bristol Channel.

Middlesborough.—Middlesborough, a town of recent and rapid growth in the North Riding of Yorkshire, has been created by the iron trade, ore of splendid quality being found in the Cleveland District close by. It is a town of 76,000 people.

Cork.—Cork, the third city of Ireland, is rather less in size than Middlesborough. It is situated on the river Lee, eleven miles from the magnificent Cork Harbour, but its trade is less than that of Aberdeen. It ships dairy produce to Great Britain; and Queenstown, its outer port, is the place of call for steamships bound for New York.

Leith.—Leith, a town about the same size as York, adjoins Edinburgh, and is its port. It is an important centre of trade in grain, timber, and wool from the continent; it has also a busy coasting and fishing fleet.

Paisley.—With a population of nearly 80,000, Paisley is noted for its woollen goods and cotton thread, while Kilmarnock, a place half as large, has manufactures of blankets and fine carpets.

Greenock.—Greenock, twenty miles below Glasgow, on the Firth of Clyde, is a town about the same size as Paisley. It is a kind of lower port for the commerce of Glasgow. The chief imports are iron ores and raw sugar, while the local industries are iron-smelting, iron ship-building, and sugar-refining.

Southampton.—On the south coast of England, at the head of a deep land-locked inlet, is Southampton. Lying nearer to London than any other large English port, and being easily reached from the open ocean, Southampton is coming into importance as a terminus for American steamship lines. It also communicates with the Channel Islands and the ports of Northern France.

Northampton.—Northampton, next to London, the chief shoe-manufacturing town of England, contains 86,000 people.

Reading.—Reading, at the junction of the Kennet with the Thames, is noted for the manufacture of biscuits. The town is also well known for its seed trade. It has a population of 72,000.

Smaller Towns.—Honiton, in Devonshire, is celebrated for its hand-made lace; Wilton, in Wiltshire, and Kidderminster, in Worcestershire, for carpets. Coventry, in Warwickshire, is noted for its cycles and silk ribbons; and Burton-on-Trent, in Staffordshire, is a great ale-brewing centre. Perth, twenty miles above Dundee, on the Tay, in Scotland, a town of about 32,000 people, has great dye works and bleaching fields; it also manufactures muslins, ginghams, and imitation Indian shawls. As the Tay is quite shallow here, the foreign trade is small.

Limerick, at the head of the Shannon estuary, is a town of less than 40,000 people. Its only important manufactures are linen, spirits and malt liquors. It imports maize and wheat directly from the United States, but it export trade is pery small.

TRADE ROUTES. The business man who wishes to cross over to the continent of Europe has the choice of several trade routes, any of which will land him upon the opposite mainland.

Routes to France.—There are at least five routes open to the traveller who wishes to go to France.

(1) The South-Eastern and Chatham Railway Company's route from Dover to Calais;

(2) The South-Eastern and Chatham Railway Company's route from Folkestone to Boulogne.

The "channel passage" in either of the above cases occupies only about an hour, and fast trains run from London to the harbours alongside the boats.

(3) The London, Brighton, and South Coast Railway Company's route from Newhaven to Dieppe;

(4) The London and South-Western Railway Company's route from Southampton to Havre; and

(5) The last-named railway company's route from Southampton to St. Malo.

Routes to the Low Countries.—There is ample choice of route from London to Belgium and Holland.

(1) The traveller may travel by the South-Eastern and Chatham Railway to Queenborough, and thence take steamboat to Flushing, at the mouth of the Scheldt; or, if he prefers a shorter sea voyage,

(2) He may choose the steamboats which run from Dover to Ostend.

(3) The Great Eastern Railway will carry him quickly from London to Harwich, whence their swift and well-appointed boats ply to Antwerp, Rotterdam, or to the Hook of Holland.

STEAMBOATS RUNNING IN CONNECTION WITH LONDON RAILWAYS.

Port.	*Sailing From.*	*Day.*	*Railway Company.*	*Railway Station.*
Antwerp *	Harwich	Daily	Great Eastern	Liverpool Street
Boulogne	Folkestone	Twice a day	S.E. & C.R.	Charing Cross
Caen	Southampton	Daily	South-Western	Waterloo.
Calais	Dover	Twice a day	S.E. & C.R.	Charing Cross and Victoria
Cherbourg	Southampton	Tues., Thurs., Sat.	South-Western	Waterloo
Copenhagen	Harwich	Mon., Thurs., Sat.	Great Eastern	Liverpool Street
Dieppe	Newhaven	Daily	L.B. & S. Coast	Victoria
Flushing	Queenborough	Twice a day	S.E. & C.R.	Holbn. Viaduct
Granville	Southampton	Twice a week	South-Western	Waterloo.
Hamburg	Harwich	Wed. & Sat.	Great Eastern	Liverpool Street
Havre	Southampton	Daily	South-Western	Waterloo
Honfleur	Ditto	Ditto	Ditto	Ditto
Hook of Holland	Harwich	Ditto	Great Eastern	Liverpool Street
Ostend	Dover	Thrice daily	S.E. & C.R.	Charing Cross, Holborn
Rotterdam	Harwich	Daily	Great Eastern	Liverpool Street
Rouen	Southampton	Ditto	Southampton	Waterloo
St. Malo	Ditto	Mon., Wed., Fri.	Ditto	Ditto

* Known on the Continent as Anvers.

Routes to the North of Europe.—The quickest way to reach any of the ports of Norway is to travel from London by the Great Northern Railway to Hull, whence the steamers of the Wilson line convey passengers across the North Sea to Norway, or to any one of the Baltic ports.

General Steam Navigation Company's Routes.—The vessels of this steamship company run to the French, Belgian, and Dutch ports; to those of the Baltic and Bay of Biscay; and they also communicate with all the chief ports of the Mediterranean.

Liverpool to New York.—The most frequented ocean route is that from the United Kingdom to New York and the other ports of the United States. The National and Wilson-Furness lines of steamers sail from the Royal Albert Docks, London, weekly for New York; several lines, including the *American* and *Union*, make Southampton Docks their starting point; but, by far the greater number of steamships running between this country and New York start from Prince's Landing Stage, Liverpool, calling at Queenstown Harbour for the mails. The Cunard, the White Star, and other steamships run frequently between Liverpool and New York.

According to Lloyd's Register, twenty-nine regular lines of ocean steamers ply between New York and the ports of Europe; and vessels leave the port of New York regularly every day in the week, except Sunday.

Liverpool to Canada.—There are also several ways of crossing the Atlantic from England to Canada. The Allan, the Dominion, and the Beaver lines of steamships run from Liverpool to Quebec and Montreal throughout the summer in about eight days, calling at Moville, on Lough Foyle, in the North of Ireland, for the mails. In winter, when the River St. Lawrence is ice-bound, the steamers make Halifax, Nova Scotia, their Canadian port.

Routes from England to India.—Until the year 1823 the only route to India was by way of the Cape of Good Hope: and the old-fashioned Indiamen, in which the voyage was made, called and took in provisions at St. Helena, the Cape of Good Hope, and half a dozen other harbours besides. Commerce was subjected to all the thousand drawbacks of time and distance. No advices from the Indian markets could reach the London merchants interested under five or six months from the date of the letter. Hence, trade was extremely risky; and this fact tended to limit commercial intercourse with India, and to check the development of her resources. These disadvantages were painfully felt at home, but they were still more painfully felt by the Anglo-Indians themselves.

The first "near cut" to England was adopted about the year 1840. A ship

carrying mails and passengers steamed from Bombay to Aden, near the point where the Red Sea opens into the Indian Ocean and along the whole length of the Red Sea to Suez, where she discharged her mails and passengers to travel overland from Suez to Alexandria. Here another ship waited to carry them to Malta, and thence to England. The advantages of this route were realized at once. Merchants sent and received by it letters, money, samples, and small parcels of sufficient value to bear the heavy cost of transport.

The construction of the Suez Canal was the next step to render intercourse between the east and the west easier still. This important engineering work, which was completed in 1869, runs from Port Said, on the Mediterranean, to Suez, on the Red Sea, passing through Lake Menzaleh, Lake Timsah, and the Bitter Lakes.

India can now be reached from London, Liverpool, or Southampton. The Peninsular and Oriental (P. & O.) mail steamers sail from the Royal Albert Docks, London, through the Suez Canal for Bombay, Colombo, Madras, Calcutta, and Singapore, touching at Gibraltar, Malta, and Brindisi en route. The steamships of the Orient Line also run to the same ports, calling at Plymouth and Naples. The Anchor, Hall, City, Clan, and other lines of steamers start from Glasgow and Liverpool for the voyage to India.

Routes from England to Australia.—Several lines of steamers depart from British ports to Australia, and there are three principal routes.

(1) That by the Suez Canal, which should be avoided between the middle of May and the middle of September, as the Red Sea is then very hot. Persons leaving this country for Australia during the summer months should go either by the Cape of Good Hope or cross the Atlantic Ocean to Canada, then cross America by the Canadian-Pacific Railroad, and reach Australia by sailing across the Pacific Ocean in one of the steamships of the Canadian-Australian line.

As far as Aden, the Suez Canal route is the same as that to India: but then the steamers bound for Australia call at Colombo, and cross the Indian Ocean to King George's Sound, where the mails for Western Australia are landed. The remainder of the mails are put ashore at Adelaide, the capital of South Australia, and from thence forwarded by rail to their destinations.

(2) The New Zealand steamers and some of the Australian ones make the passage round the Cape of Good Hope: many of these vessels call at Madeira and Teneriffe. They then proceed on their southward way, sometimes calling either at Ascension or at St. Helena, and so reach the Cape of Good Hope. Leaving the Cape, the vessels pass into high southern altitudes, working as far south as the weather permits to take advantage of the westerly winds which blow steadily round the south pole.

The long sea voyage back to England generally takes a different route from the one just mentioned, running by way of New Zealand and Cape Horn. Having called at King George's Sound and Adelaide, the steamers proceed to Hobart, the capital of Tasmania. They then make the passage of 1,100 miles to Wellington, the capital of New Zealand.

After leaving New Zealand, no more land is seen until the steamer passes round Cape Horn and touches at the Falkland Islands, another outlying British colony. Then a call is made at Rio de Janeiro, the most beautiful city of South America. The vessel crosses the Atlantic Ocean to the Canary Isles, returning home by the Bay of Biscay and the English Channel.

(3) The Canadian route, although rather more expensive than either of the others, is the best one during the English summer, since it avoids the heat of the Red Sea, and also the cold weather which is always met with between the Cape of Good Hope and the Australian coast.

The route across the Atlantic can be taken by the steamers of any line, as may be arranged. From about the middle of November to the first of May, while the River Saint Lawrence is blocked by ice, these steamers land their passengers at Halifax, Nova Scotia, the Canadian winter port. During the remainder of the year, passengers can be carried to Quebec or Montreal.

The Canadian Pacific Railway runs across the Dominion of Canada to Vancouver City on the Pacific Ocean, where one of the steamers of the Canadian-Australian Line is waiting to cross the Pacific Ocean. After a voyage of about a week the steamer arrives at Honolulu, the capital of the Sandwich Islands, whence a seven or eight days' sail suffices to reach the Fiji Islands.

A run of about six days takes the vessel over the 1,800 miles of ocean which lie between the Fiji Islands and Port

Jackson, the harbour of Sydney, one of the most beautiful harbours in the world.

The Voyage from England to the Cape.—One of the splendid steamships of the Castle Line leaves the East India Dock Basin, at Blackwall, London, every Friday, bound for the Cape of Good Hope. The steamers of this line reach Southampton on Saturday; they also call at Madeira once a week, Grand Canary the following week, and so on. The Union Steamship Company's vessels leave Southampton Docks for the Cape every Saturday; but these ships call at Madeira and Teneriffe on every voyage, and they visit Saint Helena and Ascension at intervals.

Leaving the English Channel, the Cape steamers turn southward, and steam outside the Bay of Biscay into the deep, violet-coloured waters of the Atlantic Ocean, passing between the Azores and the Canaries, until, about five days out from Southampton, the vessels call at Teneriffe, one of the Canary Islands. After Teneriffe sinks below the horizon the weather is generally very hot, and from fifteen to twenty days out they round the Cape and anchor off Capetown.

UNITED STATES. *Situation and Extent.*—The territory of the United States, Alaska excepted, lies wholly within the North Temperate Zone. It covers the continent of North America from the Atlantic Ocean to the Pacific, and extends from the Great Lakes, on the north, to the Gulf of Mexico on the south.

The average length of the country from the Atlantic to the Pacific coast is about 2,500 miles, and the average breadth from north to south is about 1,300 miles. The total area, including Alaska, is, in round numbers, 3½ million square miles, nearly as great a surface as that of all Europe.

Climate.—The climate of the United States varies from the long severe winters, and the short hot summers of the north, to the more equable subtropical seasons of the south. In the same latitudes the climate of the Pacific coast is much milder than that of the Atlantic States. Winter in California is merely a rainy season. In the Gulf States, and on the coast of Washington and Oregon, the rainfall is copious. In the Atlantic States, especially near the sea-board, the supply is less, but abundant. In the northern half of the Mississippi valley the rainfall, though somewhat smaller still, is distributed with considerable evenness throughout the year. Over the greater part of the Pacific Highland the annual fall is scanty, while in parts of Utah, Nevada, Arizona, and south-eastern California, there is no rainfall whatever.

Configuration.—The surface of the country is greatly diversified. Not far from the Atlantic coast, and having a general direction parallel with it, extends, from Maine almost to the Gulf of Mexico, the Appalachian Mountain System. The various ranges that make up this system, together with the lands they have uplifted above the coast level, are known as the Atlantic Highlands. Occupying most of the western part of the country, and similarly extending in a general northerly and southerly direction, are the many ranges of the Sierra Nevada and the Rocky Mountains. These, with the plateaux that lie between them, constitute the Pacific Highlands. Between these highlands, and occupying the greater part of the interior of the United States, is the vast basin of the Mississippi River and its tributaries. This region is called the Central Plain. The narrow strip of sloping plain which lies between the Atlantic Highland and the eastern coast is known as the Atlantic Plain. The much smaller area between the Pacific Highland and the western coast is called the Pacific Slope, or the Pacific Coast Plain. On the northern boundary several states contribute waters to the lakes which border upon them. The State of Michigan, in particular, has most of its boundaries formed by four of these lakes.

Of the drainage systems of the United States, the most important are those of the Mississippi and the Great Lakes. The Mississippi system drains more than half of the area of the United States, intersecting or bordering upon two-thirds of the States and territories. Fifty-seven tributaries are comprised in this system. Of these, by far the most important are the Missouri, the Ohio, the Arkansas, and the Red rivers.

Of the Great Lakes, one, Lake Michigan, is wholly within the borders of the United States, and the other four form a considerable part of the northern frontier of the Union. Further to the east, but also tributary to the St. Lawrence River, is Lake Champlain. This body of water, though more than 100 miles in length, is much smaller than any of the Great Lakes. It lies

almost wholly within the territory of the United States. Crossing the Atlantic Plain in a general south-easterly direction are numerous rivers, most of which are broken by rapids or falls, so that they are navigable only in their lower courses. Three of these rivers, the Hudson, the Delaware, and the James, are of great volume, and afford unbroken waterways for many miles into the interior.

Flowing into the Gulf of Mexico, but forming no part of the Mississippi system, are numerous rivers which play an important part in the industries and trade of the Southern States. Of these rivers the greatest is the Rio Grande, which has its head waters in Colorado, and forms the boundary between Mexico and the State of Texas. This river is navigable only for vessels of light draught.

The rivers of the Pacific Slope are relatively few. In the far north-west is the Columbia, which, in the lower part of its course, separates the States of Washington and Oregon. The long, narrow, and highly fertile valley of California is watered, in its northern half, by the Sacramento river, and in the southern half by the San Joaquin. In the south-west is the Colorado, which pours into the Gulf of California most of the drainage of Utah and Arizona.

More than half the boundaries of the United States consist of coast-line upon the two oceans and the Gulf of Mexico. The Atlantic and the Gulf coasts are irregular, and deeply indented by estuaries near the mouths of many of the rivers. Large bays and safe and commodious harbours are numerous on the Atlantic seaboard from Maine to South Carolina. Long Island Sound, Delaware Bay, and Chesapeake Bay are the largest of these arms of the sea. On the Pacific side of the continent there are but three great harbours—Pudget Sound, and the bays of San Francisco and San Diego.

Natural Resources.—The vast territory of the United States, with its varieties of climate, its forest-covered mountain ranges, its well-watered plains, and its rich mineral deposits, possesses natural resources of the greatest diversity.

The Atlantic Plain has a generally fertile soil, numerous rivers affording water-power in their upper courses, and navigable channels nearer the coast, besides the great commercial advantage of proximity to the eastern sea-board.

The Atlantic Highland is for the most part covered with hard-wood forests, and contains valuable deposits of coal, iron, and petroleum.

The chief natural advantages of the Central Plain are its vast area of fertile soil, its navigable rivers and lakes, and its mines of coal, iron, copper, and lead. In the northern part, at the head of navigation on many of the rivers, are fine water-powers.

The Pacific Highlands are richer in deposits of metallic ores than any other region in the world. Gold, silver, copper, and lead are the principal products of the mines. Cone-bearing trees of many varieties cover a large part of this area, especially in the north-west. In the valley of California the soil is of extraordinary fertility.

Population.—The population of the United States, according to the census of 1900, is in round numbers 76,250,000, the north and east being the most densely peopled parts of the country. About one-tenth of the American people are negroes, the descendants of blacks brought from Africa as slaves. Nearly all of them are in the southern half of the country, where they and their ancestors for several generations have been native to the soil. There are 250,000 Indian descendants of the aboriginal Americans now living in the United States. About one-fourth of them have their homes in Indian territory, and are peaceful and considerably civilized. The rest occupy lands reserved for their use in remote and unsettled parts of the country.

About 100,000 Chinese are widely distributed throughout the cities and towns of the Union. The majority are in the Pacific States, where they are employed as day-labourers and domestic servants; those living in the eastern half of the country are nearly all laundrymen.

Of the population of the United States, about one-half is dependent on agriculture; one-fourth on manufactures and mining, and the larger part of the remaining fourth is occupied either in wholesale and retail trade, or in the various departments of the business of transportation. The number engaged in lumbering and the fisheries, though considerable, forms but a small percentage of the total population.

INDUSTRIES. *Products of Agriculture.*—Four of the great staples, cotton, wheat, Indian corn, and tobacco, are partly used at home and partly sold to foreign countries. Cotton is, commercially considered, the most valuable field

product of the United States. The cotton-growing region includes Georgia, the Carolinas, Arkansas, Tennessee, and all of the Gulf States. The United States produces more wheat than any other country in the world. The richest wheat fields are in the north-western part of the Central Plain, and in the States of the Pacific Slope. Indian corn flourishes in the region south of the wheat-producing area; that is, in the States that occupy the central part of the Mississippi basin. Tobacco is a staple field product of Ohio, Pennsylvania, Kentucky, Virginia, Tennessee, and North Carolina. Crops that enter mainly into domestic trade, because they are almost wholly consumed at home, are—oats, raised in great quantities in Iowa, Illinois, and all the Lake States; rice, cultivated near the lower Atlantic and Gulf coast; sugar, raised in Louisiana and Florida; and hops, grown in the States of Washington and New York; hay, potatoes, and other root-crops.

The grape has no commercial importance until converted into wine, but wine-making is carried on not far from the seats of vine-culture. The chief of these are in California, Ohio, North Carolina, and western New York.

The greater part of the beef supply is raised on the vast grassy plateau that lies to the east of the Rocky Mountains. Hides become a commodity of trade at the various points where the beef is dressed for market. Cheese is mainly derived from New York and the other States that border on the great lakes. Wool and sheepskins come from Ohio, Illinois, Texas, and the Pacific States of the Central Plain, in which corn is grown for the fattening of livestock.

Mineral Products.—The United States is a country rich in a great variety of mineral deposits. Of coal, iron, and copper, the products surpass that of any other country in the world. The precious metals, petroleum, lead, salt, and building stone also abound. Deposits of coal exist in nearly all the States of the Union; anthracite in Pennsylvania only; bituminous coal in that and other States; and lignite in the Western Highlands. Beds of iron ore are as widely distributed. Copper is found in Montana, Arizona, New Mexico, and Michigan. About half the world's product of gold, and one-third of the product of silver, are mined in the Pacific Highlands. Petroleum is found chiefly in Pennsylvania and Ohio; lead in Colorado, Missouri, and the region where Wisconsin, Illinois, and Iowa meet; salt in New York, Michigan, West Virginia, and Louisiana; and building stone of various kinds in many of the States, but especially in those of the Atlantic Highlands.

Means of Communication.—The navigable rivers, lakes, and coast waters of the United States, together with the canals that connect them, form a system of domestic trade-routes fully as important as that furnished by the railways.

Rivers.—Of the rivers of the country the Mississippi and its numerous affluents make up a system of the greatest commercial consequence. By means of barges and steam-boats of light draught, it provides transportation for the more bulky goods produced in the Central Plain. The principal items in this traffic are coal, iron-ore, petroleum, cotton, grain, sugar, with cotton-seed and its oil.

The large cities situated on these water-ways — Pittsburg, Cincinnati, Louisville, St. Louis, Kansas City, Minneapolis, St. Paul, Memphis, and New Orleans—whose early prosperity was due to river traffic, are still greatly benefited by it. The relative trade consequence of all river systems has been somewhat diminished by the multiplication of railways. This is especially true of the Mississippi. The Hudson river derives its chief importance from the fact that it forms part of a continuous water-route between the Atlantic seaboard and the States which border on the Great Lakes. The Delaware river is navigable to Trenton, and provides a highway for the coastwise trade of Philadelphia, especially in the item of coal. At Chester and Wilmington, on its banks, are great shipyards.

Lakes.—The Great Lakes, which form part of the northern boundary, are a busy commercial highway, except during the winter, when navigation is obstructed by ice. The steam marine of the lakes has a greater tonnage than have the sailing craft, and many of the steamers are of the most approved type of naval architecture. The sailing vessels are mostly three-masted schooners. There is a vast traffic between Buffalo, at the western extremity of the Erie Canal, and the ports of Lakes Erie, Huron, Michigan, and Superior, to Duluth, the eastern terminus of the Northern Pacific Railway. The cargoes consist mostly of coal, and manufactured goods going west, and of iron, copper, grain, and lumber going east. Other important

cities on the Great Lakes, named from east to west, are Oswego, Cleveland, Toledo, Detroit, Chicago, and Milwaukee. The larger part of the total shipping of the Great Lakes hails from Chicago, Detroit, Milwaukee, West Superior, Toledo, Cleveland, and Buffalo. The largest shipyards are those of Cleveland and Bay City. The only other lake in the United States that has a large commerce is Lake Champlain. It forms part of the St. Lawrence drainage system, and has canal communication with the Hudson.

Canals.—The canals of the United States have a total length of about 4,000 miles. Those of Pennsylvania and Maryland are principally used for floating iron and coal to the cities of the coast, in exchange for general merchandise.

The Erie Canal connects the Hudson river with the Great Lakes. The voyage between Buffalo and New York, by way of the Erie Canal and the Hudson river, consumes about a month.

The St. Mary's Falls Canal avoids the falls of St. Mary's River between Lakes Superior and Huron. This important gateway of trade is only one mile in length.

Other busy canals are the Champlain, which connects the Hudson river with Lake Champlain, and thus with the St. Lawrence system; the Raritan, which connects the Delaware river with Raritan Bay; and the Ohio, which connects Lake Erie with the Ohio river. The Welland Canal is a Canadian work, which connects Lakes Erie and Ontario. It is made necessary by the rapids and the great fall of Niagara. Further east, several short canals avoid the rapids of the St. Lawrence, and thus, the waters of the Great Lakes are commercially connected with the sea-board at the mouth of that river.

Coast Trade.—Three-fourths of the tonnage of the American mercantile marine are employed in the coast-wise trade. Lines of steamers connect the great cities of the coast with one another. Such lines in particular carry passengers and freight between New York City and the ports of Galveston, New Orleans, Charleston, Richmond, Boston, and Portland.

Most of the coast-wise freight, however, is transported in sailing vessels. Coal going to New England from Philadelphia and New York Harbour, and pine-timber going north from the Gulf and lower Atlantic ports, are leading items in this traffic. Cotton, however, comes to the north-eastern market from Galveston, New Orleans, Savannah, and Charleston by steamer. The principal staples in the coasting trade of the Pacific States are—canned salmon, sealpelts, gold, and whalebone from Alaska; grain, lumber, and wool from Portland; coal from Seattle; and canned salmon from Astoria—all of these going chiefly to San Francisco. Many cargoes of timber are shipped to the same point from the ports of Los Angeles and San Diego in the south.

Railways.—A network of railways is spread over the populous eastern half of the country, and great trans-continental lines connect the eastern roads with those of the Pacific States.

These trans-continental Railways are four in number.

(1) The Northern Pacific Railway extends from St. Paul and Minneapolis, and from Duluth at the head of Lake Superior, to Portland, Oregon, and to Puget Sound.

(2) The Great Northern Railway extends from Duluth and from St. Paul and Minneapolis to Seattle and Tacoma.

(3) The main line of the Southern Pacific Railway extends from New Orleans, Louisiana, to San Francisco. The Central Pacific Division extends from Ogden, Utah, to San Francisco. This division connects at Ogden with the Union Pacific running to Omaha and Kansas City, the chief commercial gateways of the Missouri River.

(4) The Atchison system extends from Chicago and St. Louis to the Pacific coast, passing through the south-west and reaching, by means of dependent lines, all the important points in the State of Texas.

The principal Eastern Railways are four in number.

(1) The New York Central and Hudson River Railroad connects New York City with Albany, following the Hudson River, and extends through the Mohawk Valley west to Buffalo. Thence, via the Lake Shore and Michigan Southern, it extends to Cleveland, Toledo, and Chicago. It also connects at Buffalo with the Michigan Central running to Detroit and Chicago. These lines are known as the "Vanderbilt system."

(2) The Pennsylvania Railroad connects Philadelphia with Chicago, Cincinnati; and St. Louis by way of Pittsburg, and all these cities with New York.

(3) The New York, Lake Erie, and Western Railway traverses the southern

part of the State of New York, connecting the city of New York with Buffalo, and having a branch to Cincinnati called the New York, Pennsylvania, and Ohio.

(4) The Baltimore and Ohio Railroad connects Baltimore (*a*) with Chicago, (*b*) with Cincinnati and St. Louis, and (*c*) with New York. The division to Cincinnati is called the Cincinnati, Washington, and Baltimore, and that between Cincinnati and St. Louis the Baltimore and Ohio South-western.

Commerce.—The United States ranks second among nations in the value of its foreign commerce, Great Britain being first, Germany third and France fourth.

Most of the exports are to Great Britain and her possessions, Germany, France, Belgium, the Netherlands, Spain and her colonies, Italy, and Mexico, named in the order of value.

Most of the imports are from Great Britain, Germany, France, Spain, Brazil, Japan, Mexico, China, Switzerland, the Netherlands, the Hawaiian Islands, Venezuela, Belgium, and Austria-Hungary, named in the order of value.

The trade between the United Kingdom and the United States is of the most satisfactory kind to the latter, as nearly all our imports from that country are of native growth or manufacture, and the United Kingdom is her best customer.

The chief exports from the United States to the United Kingdom, with their value in millions of pounds, are: vegetable products, 67¼; animal products, 30½; mineral products, 8½, making the enormous annual total of 120 millions sterling. The chief of these, in order of value, are cereals, 30¼ millions sterling; cotton, 24½ millions, followed by animal food, metals, petroleum, tobacco, leather, timber, etc.

The principal imports from the United Kingdom to the United States, with their values in millions of pounds, are:—

	Million £
Textile Fabrics	11
Chemicals and Drugs	1½
Paper and Books	½
Metals and Minerals	3
China and Glass	1
Skins and Furs	½
Total Million	£35½

Commercial Centres.—New York, the great commercial centre of the United States, is second only to London among the great cities of the world in population, wealth, and enterprise, its estimated population being 3½ millions. Its geographical position and its fine harbour combine to make it the commercial metropolis of the Western Continent. In amount of commerce, it is surpassed only by London, Hamburg, and Liverpool.

Manhattan Island, on which it is mainly situated, is long and narrow, and projects into a deep bay. This bay and the adjoining waters furnish nearly 100 square miles of anchorage, while the shores of the island have twenty-five miles of water-front, all of which furnishes good wharfage area. The adjacent shores supply as much more.

New York has gradually and steadily absorbed the bulk of the foreign commerce of the Union. Direct communication is now held with all the large commercial centres of the world by steamships and by sailing-vessels. This port does more than half of the foreign commerce of the country; and four trunk lines of railway connect the city with the great producing regions and commercial centres of the west.

These lines are the New York Central, the New York, Lake Erie, and Western, the Pennsylvania, and the Baltimore and Ohio. They bring the food and other products of the west to New York for export, and, in return, distribute throughout the west the manufactures of the Atlantic States and the wares imported. Even the cotton of the south seeks New York, and a fifth of the amount exported annually passes through this port.

New York is the centre from which most of the great financial transactions of the country emanate; and, as a money-market, it is second to London only. The manufacturing interests, in and around the city, are much greater than in any other part of the country. The more important industries are the making of clothing, shoes, cigarettes and cigars, sugar-refining, printing and book-binding, brewing, leather-working, and iron and steel-working. Some of the best ships built in the country are launched here.

At the western end of Long Island, is Brooklyn, now a part of New York, to the main body of which it is connected by the finest suspension bridge in the world. The manufacturing interests of Brooklyn are very great, but it is also a city of homes for New York business men. It has a great extent of wharfage, and a considerable portion of the commerce of the port of New York is done through Brooklyn.

Jersey City, opposite New York, on

the west, is a suburb of industries and homes. Its water-front is extensive; and, as numerous western railways terminate at its piers, a considerable direct foreign commerce is carried on. Within a radius of twenty miles of the city of New York is a population of about 4 millions, all dependent to a greater or less degree upon the city.

Boston, the capital of Massachusetts, is the second American sea-port in commercial importance. About 9 per cent. of the commerce of the country passes through this port. Much of the export and import trade of New England is carried on through Boston, and it also receives for export a large amount of food-products from the west. These products reach Boston largely by way of the New York Central and the Boston and Albany railways.

The harbour of Boston is one of the best in the country, but its anchorage area is little more than half as great as that of New York. The Boston and Albany, and other railway lines, connect this port with the great trunk lines of the west, while numerous other lines communicate with all parts of New England. No other part of the country does as much manufacturing as New England; and Boston is the city upon which nearly all these industries depend, both for banking facilities and for a market.

Boston is a great financial centre. It is also the chief educational centre of the country. The industries of Boston are chiefly the manufacture of boots and shoes, clothing, iron and steel goods, printing and book-binding, brewing, and sugar-refining. It is the first leather market and the second wool market of the United States.

New Orleans is advantageously situated on the Mississippi River, 100 miles from its mouth. The channel at the mouth of the Mississippi River has been recently deepened to thirty feet by means of piers, so that ocean vessels of the greatest draught may now reach the city. These improvements have greatly increased the commercial importance of the port. About a third of the cotton crop and nearly all of the cotton-seed oil are shipped from New Orleans. The railway connections of the city have been improved during recent years, and have done much to aid its commercial development. The exports of New Orleans are ten times the value of its imports. Most of the sugar-cane raised in the United States is grown in Louisiana, and the raw sugar is sent to market through the port of New Orleans. Rice, another leading crop, finds its way to market by the same means. It has factories of various kinds; the leading manufactures of New Orleans being tinware, clothing, boots and shoes, and manufactures of wood and railway cars.

San Francisco is the fourth seaport in commercial importance in the United States, and is destined to become a great commercial centre. San Francisco and San Pablo bays, on which it is situated, form one of the most beautiful harbours in the world, and furnish anchorage ground several times as large as that of New York harbour. The harbour itself and the Golden Gate (the strait connecting it with the ocean) admit vessels of the greatest draught at any time, regardless of tides. Nearly all the foreign commerce of the Pacific slope passes through San Francisco. Much of the trade is in imports; but of late years wheat and fruit have become considerable imports. Timber, wine, and meat products are other exports. Nearly all the quicksilver exported goes through this port.

Lines of steamships connect the city with New York, the Pacific coast-ports of South America, Yokohama, Honolulu, Auckland, and the various Australian ports. It is connected by steamship lines with all the important coast towns, and by rail with the more important places of the interior. The building of trans-continental railways has greatly increased travel and trade between the Atlantic and Pacific sea-boards. Much of the coal used in California is imported from Washington, British Columbia, and Australia. But, in spite of the high cost of fuel, manufactures are extensive, especially those of furniture, leather goods, clothing, cigars, iron and steel, and refined sugar. Considerable fishing is carried on from this port, and, with New Bedford and Provincetown, on Cape Cod, it does most of the whaling of the world.

Philadelphia is fifth among the seaports of the United States. The city is situated on the Delaware river, 100 miles from the Atlantic Ocean. The depth of the river at low tide is sufficient to admit large ocean steamships. The principal exports are food products, coal, cotton, leather, tobacco, and petroleum. The petroleum export of the United States is almost entirely from Philadelphia and New York.

The proximity of coal and iron mines

largely accounts for the great industrial development of Philadelphia and its vicinity, where manufacturing interests greatly exceed shipping interests in value. Iron and steel-working is very extensively followed, but it is for its woollen industries that the city is especially noted. It is the greatest carpet manufacturing centre in the world, and in making velvet, Brussels, and other fine kinds of carpets, the city is not excelled. Woollen cloth, worsted, yarn, and other wool materials are also extensively manufactured. The manufacture of pressed and other ornamental bricks and terra cotta ware is a great industry and one for which Philadelphia is famous. Among other leading manufactures are those of drugs and chemicals, sugar, hats, and cotton goods. Philadelphia has a population of over a *million*. The city is well provided with railway facilities, and its prosperity has been largely due to a system of canals which connect it with the coal and iron regions, and with New York and Baltimore. In the vicinity of Philadelphia, along the shores of the Delaware river, are the largest and most important ship-building yards in the United States. Among the vessels built in these yards are the swift steamships plying between San Francisco and Australia. The vessels for the new navy of the United States constructed here have few, if any, superiors in the navies of other nations.

Baltimore has a commerce slightly smaller than that of Philadelphia. Its exports are a third greater than those of the latter city. In exports Baltimore ranks fourth, New York being first, New Orleans second and Boston third. Its imports are but a fraction of the exports, and little greater in value than those of New Orleans. The city is situated near the head of Chesapeake Bay, 180 miles from the Atlantic. It owes much of its growth, however, to railway connections with the west rather than to its maritime position. The harbour is naturally a fine one, but it has not the capacity found at other leading ports. Baltimore is the greatest oyster market in the world, and one of the most important industries of the city is that of gathering, canning, and shipping oysters to all parts of the world. The city is also a considerable tobacco market. Among the leading industries are iron and steel-working and brick-making.

These six ports, New York, Boston, New Orleans, San Francisco, Philadelphia, and Baltimore, do about 89 per cent. of the importing, and 79 per cent. of the exporting; that is, 84 per cent. of the total foreign commerce of the United States.

Lake Ports.—Oswego, the most important city of the United States on Lake Ontario, carries on a considerable trade with Canada. The largest starch factory in the world is situated here.

Buffalo, at the foot of Lake Erie, is an important railway centre. Coal and the manufactured products of the East are shipped from this port to the West and into Canada.

Cleveland, situated on the southern shore of Lake Erie, has a valuable shipping trade in grain, iron ore, and manufactured products. Its manufactures are very important, and include iron and steel wares, furniture, and farming implements. There are also a number of large petroleum refineries. The Ohio canal affords an outlet to the Ohio River, and thence to the Mississippi.

Detroit, on the Detroit river, between Lakes Huron and Erie, is the most important port between Buffalo and Chicago.

Chicago, situated at the southern extremity of Lake Michigan, is the most important port on the Great Lakes, and the second in population on the American continent. The harbour, naturally poor, has been greatly improved by artificial basins and sea-walls. Chicago is the greatest railway centre in the world. About thirty lines make the city their terminus. It is the greatest food centre in the world, and a large proportion of the products of the States west of this point find their market here.

River Ports.—Owing to the facilities of transportation furnished by the river, and to the railway connections with the other great centres of trade, numerous large cities have grown up along the Mississippi river and its tributaries.

Vicksburg, on the lower Mississippi, is the centre for the output of many cotton-seed oil mills.

Memphis is one of the most important cotton markets of the interior.

St. Louis, on the Mississippi river, just below the junction of the Missouri, is the great commercial centre of the Mississippi valley. The population of the city is nearly half a million. It is a great market for grain, flour, animals, and animal products, tobacco, cotton, cotton-seed oil, and sugar.

St. Paul is situated at the head of the navigation on the Mississippi river, and is an important railway centre.

Minneapolis, adjoining St. Paul on the west, is the greatest flour producing centre in the world.

Kansas City is on the Missouri river. It has a small river traffic, and its development is mainly due to its great railway facilities.

Omaha has a considerable river traffic, and is a railway centre of much importance. In the city are large manufactures of railway supplies. Smelting and metal-working are leading industries.

Louisville, on the Ohio river, is the greatest tobacco-market in the world. Pork-packing and the manufacture of whiskey and metal goods are leading industries.

Cincinnati is the largest and most important city in the Ohio valley. An extensive traffic is carried on by the river, by the Miami canal which gives water connection with Lake Erie, and by the great trunk line which connects the city with all the leading commercial points.

Pittsburg and Alleghany City are situated on the Alleghany and Monongahela rivers, where they unite to form the Ohio. The development of the coal and iron mines of Pennsylvania has made the city the principal iron and steel-producing centre of the country. Glass-making is the second industry, and in this product Pittsburg stands first in the country.

The Territory of Alaska.—The territory of Alaska has an area of about half a million square miles, the greater part of which lies either within or adjacent to the arctic circle. West of the coast range of mountains the climate is moderate, being modified by the Japan current. The commercial importance of Alaska lies in its so-called fisheries. These include whaling, sealing, and sea-otter catching; salmon, cod, and halibut are also taken. The rivers that flow into the Pacific Ocean abound in fish, and the run of salmon in the spring is greater than that in the Columbia River. The canning of this fish is now an industry of great value.

In the southern part only are the resources of Alaska developed. The great cost of supplies and the difficulty of transportation hinder the prosecution of industrial enterprise. Gold and silver are the only minerals yet mined. Coal, copper, iron, marble, and other minerals are known to exist. The unworked deposits of coal, all of which is bituminous, are estimated to be sufficient to supply the United States for centuries.

The forests of southern Alaska contain valuable woods, such as spruce, fir, hemlock, cypress, and yellow cedar.

Cuba.—Cuba, the largest island of the West Indies, is situated at the entrance to the Gulf of Mexico. Until the recent war between the United States and Spain it was the principal remaining Spanish colony. After the war was concluded Cuba was ceded by Spain to the United States, and was constituted into a Republic in 1902. In area it is about four-fifths that of England, and the population is 1,500,000. The climate is tropical on the coast, but the interior is cooler. The soil is fertile. There are large forests; about one-tenth of the island is cultivated. Sugar, tobacco, coffee, and tropical fruits are grown. Immense herds of cattle are raised. Gold, silver, and copper are mined. The chief industries are the growing and manufacture of tobacco.

The commerce is chiefly with the United States and Great Britain.

Havana, the capital, is about the size of Hull.

Mails are despatched regularly to Cuba twice a week, Wednesdays and Saturdays, and the time of transit is twelve days. The cost of telegrams is 1s. 8d. a word to Havana, and 1s. 10d. to other places in the island.

Puerto Rico.—This is an island of the West Indies, situated east of Hayti, which was acquired by the United States in 1898. It is about half the size of Wales, and has a population of 800,000. Its chief products are sugar, tobacco, and coffee. San Juan is the capital and chief port, Ponce and San German being the other towns of importance.

The Hawaiian Islands.—These islands lie 2,100 miles south-west of San Francisco. Hawaii is the largest. Area, 6,600 square miles. Population, 400,000. The climate is temperate and equable, and the soil fertile and productive in parts. There are many large forests and extensive grassy plains on which large herds of sheep and cattle are raised. Sugar and rice are the staple products; coffee, bananas, cotton, tobacco, wheat, and fruit are also cultivated. The exports are sugar, rice, bananas, hides, and wool. The imports are manufactured goods and food-stuffs. The commerce is chiefly with the United States. Americans own nearly all the cultivated area.

Honolulu is the capital. Population, 25,000. It is lighted by electricity, almost every family has a telephone, and it has a good system of street cars.

Mails are despatched to Honolulu via San Francisco, or via Vancouver if specially indorsed. The time of transit is eighteen days. Telegrams are forwarded by post from San Francisco.

The Philippine Islands.—These islands are situated in the East Indies. With the Sulu Archipelago they have an area of over 115,000 square miles, and a population of over 5,500,000. Luzon is the largest island; its area is about 40,000 square miles. The next in importance are Mindanas and Samar.

The islands are very mountainous, some of the summits reaching 7,000 feet. The climate is tropical—hot and humid, but salubrious. Violent hurricanes occur on the coast. The soil is extremely fertile. There are rich forests of cedar, ebony, teak, ironwood, gum-trees, and sapan wood. The cocoanut, citron, tamarind, orange, and mango grow in profusion, while tobacco, cotton, Manila hemp, coffee, sugar, rice, indigo, wheat, spices, and maize are also cultivated. Stock of all kinds is extensively reared. Coal and iron are present in large quantities, and gold, quicksilver, copper, sulphur, and marble also exist. Amber, tortoise-shell, coral, and mother-of-pearl are found. The exports are timber, hemp, tobacco, cigars, coffee, sugar, indigo, gum-mastic, and some mineral produce. The imports are principally manufactured goods, petroleum, coal, wines, flour, and Chinese silks.

Including the Ladrone Islands, the imports from the United Kingdom reach half a million, and the value of the exports amounts to 1¼ millions.

Manila, in the south-west of Luzon, on Manila Bay, is the capital. It is well laid out, has fine wide streets and good public squares, ornamented with fountains, etc. The shipping trade is large and it has a world-wide fame for the manufacture of cigars. Fabrics are manufactured from hemp, and from the fibres of the pine-apple. Population, 100,000.

Representatives.—Great Britain has consular representatives at Baltimore, Boston, Charlestown, Chicago, Galveston, New Orleans, New York, Philadelphia, Portland, and San Francisco. The United States are represented in the United Kingdom at Belfast, Birmingham, Bradford, Bristol, Cardiff, Cork, Dublin, Dundee, Dunfermline, Edinburgh, Falmouth, Glasgow, Huddersfield, Hull, Leeds, Liverpool, London, Manchester, Newcastle-on-Tyne, Nottingham, Plymouth, Sheffield, Southampton, Swansea, and Tunstall.

Mails are despatched every Wednesday and Saturday. There are supplementary mails on other days, but letters to be sent by these must be specially indorsed. New York is 3,100 miles distant from Liverpool. The time of transit is about six days, often a little less, but the postal authorities give the time for the transmission of letters as eight days. To San Francisco the time is twelve days, and Chicago nine and a half days. The cost of telegrams varies from 1*s.* to 1*s.* 6*d.* per word, but to Alaska it is 3*s.* 1*d.* to 3*s.* 5*d.*, and to the Philippine Islands 5*s.* 9*d.* to 6*s.* 2*d.* per word.

UNMERCHANTABLE. (Fr. *Invendable*, Ger. *unverkäuflich*, Sp. *No vendible.*)

Goods are so described when they are in any way below the usual standard, or not in their natural sound state.

UNSEAWORTHY. (Fr. *Innavigable, qui ne peut tenir la mer*, Ger. *seeuntüchtig*, Sp. *En mal estado.*)

A ship is so described when, owing to age, want of repair, insufficient hands, or incompetency of master and crew, it is not safe to send her on a voyage or to load her with cargo.

UPSET PRICE. (Fr. *Mise à prix*, Ger. *Mehrgebot, niedrigster Preis, Uebergebot*, Sp. *Precio fijo.*)

In auction sales the lowest fixed price at which a vendor is willing that his property shall be started and sold if no higher bids can be obtained.

UPTOWN WAREHOUSE. (Fr. *Entrepôt en ville*, Ger. *Stadtlager*, Sp. *Depósito en la ciudad.*)

A warehouse not situated by the waterside licensed by the Customs to store bonded or dutiable goods.

URUGUAY. Uruguay, south of Brazil, and east of the Argentine Republic, is the smallest of the South American republics. The area is 72,000 square miles. The population is 600,000.

This republic is fortunately situated for commerce, having more than 600 miles of water front on the Atlantic coast, and on the Uruguay and the Plate rivers. The surface is a vast grassy plain, diversified by low swells of land in the interior. The country is well watered, and the climate is not unlike that of southern France. Fruits and vegetables are grown in great abundance and variety. The chief wealth of the country, however, centres in the grazing

interests ; and the exports of beef, hides, and wool are of great importance.

Trade is carried on mainly with Great Britain and France. The principal manufacture for export is beef and extract of meat. The leading imports are liquors and manufactured goods in great variety. Great Britain buys of Uruguay hides, wool, and hair, and sells in exchange manufactured products.

Montevideo, the capital and largest city, is situated upon a tongue of land which is washed on one side by the Atlantic, and on the other by the river Plate ; most of the trade of the republic passes through this port.

There are, in addition to a Consul-General and a consul at Montevideo, vice-consuls representing Great Britain at Colonia, Maldonado, Paysandu, and Salto. Uruguay has a Consul-General in London.

There is a weekly mail service to Uruguay via Liverpool or Southampton. The time of transmission to Montevideo, which is 7,030 miles distant from London, is twenty-one days. The cost of telegrams is 3*s*. 11*d*. or 4*s*. 2*d*. per word.

USANCE. (Fr. *Usance*, Ger. *Wechselfrist*, Sp. *Usanza*.)

The time allowed by usage for the currency of bills of exchange between any two countries. Thus, the usance for bills at New York upon Europe is sixty days' sight ; that at Calcutta upon London is *six months after sight*. Sometimes foreign bills are drawn payable at one, two, or more usances. (See *Bill of Exchange*.)

USUFRUCT. (Fr. *Usufruit*, Ger. *Niessbrauch*, Sp. *Usufruto*.)

The right of using for a given time something belonging to another person, but without diminishing or altering its substance.

USURY. (Fr. *Usure*, Ger. *Wucherei*, Sp. *Usura*.)

An exorbitant rate of interest charged by money-lenders to borrowers. Severe laws were at one time in force against persons who lent money at excessive rates of interest, and it was not until 1833 that it became lawful to take more than 5 per cent. upon bills of exchange. All laws against usury were abolished in 1854.

Owing to the high rates of interest [illegible] rowers, and the [illegible] adopted by lenders, and important Act was passed in 1900, known as the Money Lenders Act. The following are its provisions :—

1. (1) Where proceedings are taken in any court by a money-lender for the recovery of any money lent after the commencement of the Act (November 1, 1900), or the enforcement of any agreement or security made or taken after the commencement of the Act, in respect of money lent either before or after the commencement of the Act, and there is evidence which satisfies the court that the interest charged in respect of the sum actually lent is excessive, or that the amounts charged for expenses, inquiries, fines, bonus, premium, renewals, or any other charges are excessive, and that, in either case, the transaction is harsh and unconscionable, or is otherwise such that a court of equity would give relief, the court may re-open the transaction, and take an account between the money-lender and the person sued, and may, notwithstanding any statement or settlement of account or any agreement purporting to close previous dealings and create a new obligation, re-open any account already taken between them, and relieve the person sued from payment of any sum in excess of the sum adjudged by the court to be fairly due in respect of such principal, interest, and charges, as the court, having regard to the risk and all the circumstances, may adjudge to be reasonable ; and if any such excess has been paid, or allowed in account, by the debtor, may order the creditor to repay it ; and may set aside, either wholly or in part, or revise, or alter, any security given or agreement made in respect of money lent by the money-lender, and if the money-lender has parted with the security may order him to indemnify the borrower or other person sued.

(2) Any court in which proceedings might be taken for the recovery of money lent by a money-lender shall have and may, at the instance of the borrower or surety or other person liable, exercise the like powers as may be exercised under this section, where proceedings are taken for the recovery of money lent, and the court shall have power, notwithstanding any provision or agreement to the contrary, to entertain any application under the Act by the borrower or surety, or other person liable, notwithstanding that the time for repayment of the loan, or any instalment thereof, may not have arrived.

(3) On any application relating to the admission or amount of a proof by a money-lender in any bankruptcy proceedings, the court may exercise the like powers as may be exercised under

this section when proceedings are taken for the recovery of money.

(4) The foregoing provisions shall apply to any transaction which, whatever its form may be, is substantially one of money-lending by a money-lender.

(5) Nothing in the foregoing provisions shall affect the rights of any *bonâ fide* assignee or holder for value without notice.

(6) Nothing in this section shall be construed as derogating from the existing powers or jurisdiction of any court.

(7) In the application of the Act to Scotland this section shall be read as if the words "or is otherwise such that a court of equity would give relief" were omitted therefrom.

2. (1) A money-lender as defined by the Act—

(*a*) Shall register himself as a money-lender in accordance with regulations under this Act, at an office provided for the purpose by the Commissioners of Inland Revenue, under his own or usual trade name, and in no other name, and with the address, or all the addresses, if more than one, at which he carries on his business of money-lender; and

(*b*) Shall carry on the money-lending business in his registered name, and in no other name and under no other description, and at his registered address or addresses, and at no other address; and

(*c*) Shall not enter into any agreement in the course of his business as a money-lender with respect to the advance and repayment of money, or take any security for money in the course of his business as a money-lender, otherwise than in his registered name; and

(*d*) Shall on reasonable request, and on tender of a reasonable sum for expenses, furnish the borrower with a copy of any document relating to the loan or any security therefor.

(2) If a money-lender fails to register himself as required by this Act, or carries on business otherwise than in his registered name, or in more than one name, or elsewhere than at his registered address, or fails to comply with any other requirement of this section, he shall be liable on conviction under the Summary Jurisdiction Acts to a fine not exceeding £100, and in the case of a second or subsequent conviction, to imprisonment, with or without hard labour, for a term not exceeding three months, or to a fine not exceeding £100, or to both; provided that if the offender be a body corporate, that body corporate shall be liable on a second or subsequent conviction to a fine not exceeding £500.

(3) A prosecution under sub-section (1) (*a*) of this section shall not be instituted except with the consent in England of the Attorney-General or Solicitor-General, and in Ireland of the Attorney-General or Solicitor-General for Ireland.

3. (1) The Commissioners of Inland Revenue, subject to the approval of the Treasury, may make regulations respecting the registration of money-lenders, whether individuals, firms, societies, or companies, the form of the register, and the particulars to be entered therein, and the fees to be paid on registration and renewal of registration, not exceeding £1 for each registration or renewal, and respecting the inspection of the register and the fees payable therefor.

(2) The registration shall cease to have effect at the expiration of three years from the date of the registration, but may be renewed from time to time, and if renewed shall have effect for three years from the date of renewal.

4. If any money-lender, or any manager, agent, or clerk of a money-lender, or if any person being a director, manager, or other officer of any corporation carrying on the business of a money-lender, by any false, misleading, or deceptive statement, representation or promise, or by any dishonest concealment of material facts, fraudulently induces or attempts to induce any person to borrow money or to agree to the terms on which money is or is to be borrowed, he shall be guilty of a misdemeanour, and shall be liable on indictment to imprisonment, with or without hard labour, for a term not exceeding two years, or to a fine not exceeding £500, or to both.

5. Where in any proceedings under section 2 of the Betting and Loans (Infants) Act, 1892, it is proved that the person to whom the document containing invitations to make bets or to borrow money was sent was an infant, the person charged shall be deemed to have known that the person to whom the document was sent was an infant, unless he proves that he had reasonable ground for believing the infant to be of full age.

6. The expression "money-lender" in this Act shall include every person whose business is that of money-lending, or who advertises or announces himself

or holds himself out in any way as carrying on that business; but shall not include—

(*a*) Any pawnbroker in respect of business carried on by him in accordance with the provisions of the Acts for the time being in force in relation to pawnbrokers; or

(*b*) Any registered society within the meaning of the Friendly Societies Act, 1896, or any society registered or having rules certified under sections 2 to 4 of that Act, or under the Benefit Building Societies Act, 1836, or the Loan Societies Act, 1840, or under the Building Societies Acts, 1874 to 1894; or

(*c*) Any body corporate, incorporated or empowered by a special Act of Parliament to lend money in accordance with such special Act; or

(*d*) Any person *bonâ fide* carrying on the business of banking or insurance, or *bonâ fide* carrying on any business not having for its primary object the lending of money, in the course of which and for the purposes whereof he lends money; or

(*e*) Any body corporate for the time being exempted from registration under this Act by order of the Board of Trade made and published pursuant to regulations of the Board of Trade.

Though the Act has made several general improvements in the law, especially by requiring that money-lenders shall be registered, it was thought, by the decision in a case which came before the courts in 1901, that it had not gone to the length many people imagined. It was there held that the mere fact that a bargain is harsh and unconscionable is not sufficient ground to justify the court in re-opening the account between the parties or setting it aside. Thus, in the case referred to, the interest charged was 60 per cent. Still the facts did not go to show that the transaction was such that a court of equity would have interfered. As Ridley J. said: "It appears to be established by a series of decisions that a court of equity will not grant relief in such cases merely because the charges or interest are excessive. Every case has, indeed, to be judged by its own circumstances; but unless the borrowers be of the class known as expectant heirs (which requires distinct consideration), the rule is that, assuming him to be of full capacity, relief will not be granted unless it can be shown that he has been over-reached, tricked, or deceived, and that the money-lender has taken an unfair and undue advantage of his weakness and necessities. The general rule is that neither excess of interest nor exorbitance of charge will suffice unless the element of unfair dealing is found to have existed." This decision was followed in a later case by Mr. Justice Channell. But the Court of Appeal has reversed both these decisions, and has held that the court has power to re-open the whole transaction when the rate of interest is excessive or the other charges exorbitant. It is probable that an appeal may be made to the House of Lords to obtain a final expression of opinion upon the subject.

V. This letter is used in the following abbreviations:—

V., Versus—against.
Via., By the way of.
Viz., Videlicet—namely.

VALUE IN ACCOUNT. (Fr. *Valeur en compte*, Ger. *Rechnungswert*, Sp. *Valor en cuenta.*

A term used in drawing bills of exchange when they are for services rendered, or when, from cross transactions, there is a balance remaining in favour of the drawer.

VALUE RECEIVED. (Fr. *Valeur reçue*, Ger. *Wert erhalten*, Sp. *Valor recibido.*)

A term invariably used upon bills of exchange to indicate that the drawee has received either money or money's worth from the drawer. As there is always a presumption of consideration in the case of bills of exchange, the words are really of no more value than the expression "yours truly" in a letter.

VALUE UPON. (Fr. *Tirer sur*, Ger. *ziehen auf*, Sp. *Girar sobre.*)

To draw a bill upon.

VALUED POLICY. (Fr. *Police fixe*, Ger. *taxierte Police*, Sp. *Póliza fija.*)

A marine insurance policy in which the amount insured is valued or fixed.

VALUER. (Fr. *Appréciateur, Estimateur*, Ger. *Taxator, Schätzer*, Sp. *Valuador.*)

One who puts a price or value upon anything.

VATTING. (Fr. *Mixture*, Ger. *Mischung*, Sp. *Mezcla.*)

A Custom House term for the mixing together of the same sorts, brands, colour, or rate of duty of wines (or spirits) for the purpose of fortifying, colouring, or strengthening the whole, or obtaining uniformity of character.

VAULT. (Fr. *Cave, Voûte*, Ger. *Keller*, Sp. *Bodega.*)

An underground cellar with an arched roof.

VENDEE. (Fr. *Acheteur*, Ger. *Käufer*, Sp. *Comprador.*)

The party for whom a purchase is made, or the person who is himself the purchaser.

VENDOR. (Fr. *Vendeur*, Ger. *Verkäufer*, Sp. *Vendedor.*)

A person on whose behalf a sale is made, or the person who is himself the seller.

VENDOR'S SHARES. (Fr. *Actions réservées au vendeur*, Ger. *Aktien der Verkäufer*, Sp. *Acciones del vendedor.*)

These are shares which are taken instead of cash by parties who convert their businesses into public companies. These shares take a dividend as may be agreed upon. Sometimes they rank *pari passu* with the ordinary shares, at others they defer taking a dividend until the ordinary shares have been paid a certain amount and then claim one-half or the whole of what is left, according to the amount of purchase money which the vendor has accepted in such shares.

VENEZUELA. The greater part of this republic lies in the basin of the Orinoco river. The area is more than half a million of square miles, but the population is less than half that of London. Inland, and at present beyond the reach of commerce, are great forests, extensive grazing areas, and a very fertile agricultural country.

Agriculture is the leading occupation, and cattle-rearing is extensively carried on upon the llanos of the Orinoco. The gold-fields, though not yet very productive, are among the richest in the world. Coal, iron, copper, asphalt, petroleum, silver, tin, and salt abound.

The exports of greatest consequence are coffee and copper. Other items are hides, dye-woods, cocoa, and timber. Most of the trade of Venezuela is with the United States, Germany, and France. The United States buy of Venezuela principally coffee, and sell to her in exchange cotton goods and manufactures of iron and steel.

Caracas, the capital, is the principal cocoa market. Valencia exports coffee. Maracaybo is the chief seaport.

Great Britain is represented by a consul at Bolivar, and by vice-consuls at Barcelona, La Guayra, Maracaybo, and Puerto Cabello. Venezuela has consular representatives in the United Kingdom at Birmingham, Cardiff, Dundee, Glasgow, Grimsby, Liverpool, London, Manchester, Nottingham, Queenstown, Southampton, and Swansea.

There is a regular fortnightly mail service to Venezuela via Southampton. The time of transit to Caracas, which is 4,760 miles distant from London, is seventeen days. The cost of telegrams is from 7*s.* 2*d.* to 7*s.* 7*d.* per word.

VENTURE. (Fr. *Consignation*, Ger. *Konsignation, Spekulation*, Sp. *Consignación.*)

A consignment of goods made at the risk of the sender, to be sold at the place of destination.

VERDICT. (Fr. *Verdict*, Ger. *Urteil, Verdikt*, Sp. *Sentencia.*)

The decision of a jury on a trial after the evidence of both sides has been heard.

VERST. (Fr. *Verste*, Ger. *Werst*, Sp. *Verste.*)

A Russian measure of length, equal to 1,166⅔ yards, or almost exactly two-thirds of an English mile.

VIA. (1) A name used exclusively in England to express one copy of a set of bills, as the first, second, or third via.

(2) By way of, signifying the route taken.

VICTORIA. Victoria, in the south-east of Australia, the smallest of the five colonies on the mainland, is about as large as Great Britain. It is mainly mountainous, and is the chief gold-mining region of the continent. Its northern boundary is formed by the river Murray; but in many parts of the colony agriculture is to a considerable extent dependent upon irrigation. The colony owes its prosperity to the gold mines, which were discovered in the year 1851, and which have yielded gold to the amount of 200 millions sterling. For some years past the output of gold has been gradually decreasing, but its annual value is still about 2 millions sterling, and more attention has been paid to agriculture, grazing, and manufactures.

The population of more than a million is almost wholly of European, mainly of British, descent. Wheat is the staple field crop, and sheep-farming is the leading occupation.

Commerce.—The principal exports of Victoria are wool, gold, butter, wheat, flour, and live stock.

The imports from the United Kingdom, valued at over 5 millions annually, consist chiefly of textile fabrics (nearly half of the total value), metals and metal goods, including carriages and cycles (about three-quarters of a million sterling), paper, books, and spirits.

The exports to the United Kingdom, valued at over 6½ millions sterling annually, consist of gold and specie, about half the total amount, wool, one third of the total, the remainder being made up of butter, leather, skins, and tallow.

Towns.—Melbourne, the capital, a city larger than Birmingham, and the most populous place in the southern hemisphere, is situated on a fine bay of the south coast. This port has railway communication with all the other Australian cities, except those of Western Australia. There are no other towns of more than 50,000 people, but Ballarat and Sandhurst are important gold-mining centres.

Mails are despatched to Victoria every Friday via Brindisi or Naples. Letters may be sent on other days via Vancouver or San Francisco if specially indorsed. Melbourne is 11,267 miles distant from London. The time of transit is about thirty-two days. The cost of telegrams is 2*s.* 10*d.* or 3*s.* per word.

VICTUALLER. (Fr. *Approvisionneur*, Ger. *Lieferant*, Sp. *Contratista de provisiones.*)

A person who supplies provisions.

VICTUALLING BILL. (Fr. *Liste de provisions soumises aux droits*, Ger. *Proviantschein*, Sp. *Lista de provisiones sujetas á los derechos.*)

A document given to the customs by the captain of a ship, containing a list of bonded or drawback goods taken on board for use as stores during a voyage.

VICTUALLING YARD. (Fr. *Magasin des subsistances*, Ger. *Proviantamt*, Sp. *Almacén de provisiones.*)

A public establishment to collect and supply provisions for the navy.

VINTNER. (Fr. *Marchand de vin*, Ger. *Weinhändler*, Sp. *Vinatero.*)

A wine dealer.

VOLENTI NON FIT INJURIA. This is a legal maxim which signifies that no legal wrong is done to a person if that person has voluntarily and knowingly accepted all the risks of the situation. Its application is practically confined to cases of negligence, and more especially to to those which arise in disputes between masters and workmen, where one of the latter has sustained an injury. In order to be available as a defence in an action brought by a workman against his employer, either at common law or under the Employers' Liability Act, 1880, it must be shown that the workman has fully understood the danger of his employment, and that he has accepted the same after being well acquainted with it. Mere knowledge is not sufficient; there must have been a voluntary acceptance after such knowledge.

VISE. (Fr. *Visa*, Ger. *Visa*, Sp. *Viso.*)

An official indorsement on a passport by the consul of the country in which a person wishes to travel, or an indorsement by him on any other document.

VOUCHER. (Fr. *Pièce justificative*, Ger. *Beleg*, Sp. *Comprobante.*)

Any document or writing in proof of the payment or receipt of money, or of other monetary transactions.

VOYAGE POLICY. (Fr. *Police de voyage*, Ger. *Reisepolice*, Sp. *Póliza de viaje.*)

A policy which insures a ship or cargo for a certain specified voyage.

W. This letter is used in the following abbreviations:—

W.B., Way Bill.
W.b., Water ballast (shipping.)
Wt., Weight.
W/W., Warehouse Warrant.

WAGES. (Fr. *Gages, salaire*, Ger. *Lohn, Löhnung*, Sp. *Salarios.*)

A word, plural in form but singular in meaning, signifying the compensation or reward paid to workmen or labourers for work which is more or less mechanical. Payment is usually made week by week, and it is this method of payment which distinguishes wages from salary.

The wages of a servant, labourer, or workman cannot be attached to satisfy a judgment, nor are they attachable under the Bankruptcy Act, 1883. Like a clerk or other servant who has a preferential claim for a certain portion of his salary in cases of bankruptcy or winding-up, a workman or labourer is also preferred as to two months' wages, provided the amount does not exceed £25. When a company is being wound up, the claims of a workman or labourer must be paid, under the Preferential Payments in Bankruptcy Acts, 1888 and 1897, even before those of debenture holders are met.

An infant can sue in a county court to recover wages due to him, if the amount does not exceed £50, without the intervention of a next friend.

Wages must be paid in money; payment in goods or in any other way is an offence against the Truck Acts.

WAGES FUND. (Fr. *Caisse de gages*, Ger. *Löhnungsfonds*, Sp. *Caja de ahorros.*)

A fund which is theoretically assumed

to exist, and out of which wages are paid. Practically, such a fund is known to exist from the fact that wages are actually paid out of it. It is made up of two principal items, (*a*) a portion of the produce of past labour, (*b*) credit based on the anticipation of the profits of future labour. The absolute amount of the wages fund is never accurately known, and it is doubtful whether it is ever the same for two consecutive days. Many causes tend to make it fluctuate, especially those which go to create a demand for labour or to limit its supply, such as the general state of trade, the weather, financial crises, accumulation of capital, etc. The term is a convenient one to be used in the discussion of economic questions, but the thing itself is too shadowy and unstable to admit of employment in accurate calculations, or to afford safe ground for inferences.

WALES. (See *England and Wales*)

WALL STREET. (Fr. *Wall Street, Place de la Bourse*, Ger. *Wall Street*, Sp. *Wall Street, Calle de la Muralla.*)

The New York Stock Exchange is frequently spoken of as Wall Street, on account of its situation.

WAREHOUSE BOOKS. (Fr. *Livres des marchandises*, Ger. *Lagerbücher*, Sp. *Libros de mercancías.*)

The special books kept recording the arrival at, or the despatch of, goods from a warehouse, so that a record of those goods on hand or unsold is easily ascertained.

WAREHOUSE KEEPER. (Fr. *Entreposeur*, Ger. *Lagerhalter*, Sp. *Guarda almacén.*)

One who receives goods of any kind for the mere purpose of storage. He is the bailee of the goods, and since he is a bailee for hire he must use proper care and diligence in preserving the goods intrusted to him from injury. A warehouse keeper has a lien on goods in his care for their storage, but not for the storage of other goods belonging to the same persons, nor for any general balance of account.

WAREHOUSING SYSTEM. (Fr. *Système d'emmagasinage*, Ger. *Lagersystem*, Sp. *Sistema de almacenaje.*)

A provision made for lodging imported articles, liable to customs duty, in public warehouses, so that they may not be chargeable with duty until taken out for home consumption, such goods being exempt from duty if re-exported.

Whilst the goods are thus warehoused they are said to be "in bond," and the proprietor of the warehouse is required to enter into a bond to properly carry out his obligations. Hence the name of bonded warehouses.

No building can be used as a bonded warehouse until it has been approved by the proper Government officials, and the privilege of keeping such a warehouse is not granted as a matter of course. The applicant must satisfy the authorities that the warehouse is necessary for the requirements of the locality in which it is situated, and must give a bond for at least £1,000 with one or more substantial sureties. When permission has been granted certain officers are in supreme control, and the goods contained in the warehouse cannot be dealt with in any way except in the presence of one of these officers.

The convenience of bonded warehouses is very great. It is obvious that if duties were payable on goods directly they were landed an immense amount of money would be lying idle, and the cost of the goods would be necessarily increased to pay for the interest on this money. For instance, suppose a spirit merchant imported a hundred gallons of rum of the value of £5, and that he wished to leave the spirit in a vault at the docks to mature. If he had to pay duty at the time of importation the capital lying idle would not be £5 only, but also an additional sum of about £52 10*s.*, or nearly £60 in all. As many thousands of gallons of wines and spirits are always occupying the bonded vaults, and many thousands of tons of tea, coffee, and tobacco are stored in the bonded warehouses, if duty had to be paid upon them on importation the amount of capital lying idle would be represented by millions of pounds sterling.

The practice with regard to dutiable goods on importation is to pass at the Custom House a document known as the "Entry for Warehousing," showing where it is the intention of the proprietor of the goods to house them, which must be in an approved bonded warehouse or vault. The goods are then removed from the importing ship under special regulations to the place indicated. They are there dealt with by the wharfinger, or dock company owning the place, acting for the owner of the goods, in such a way as may be necessary to prepare them for sale, that is, they are weighed, tared, sorted, sampled, gauged, etc., just as freely as if they were in the possession of the proprietor, so long as the rules of the officers of customs are

complied with. When all the necessary operations are complete they are stored until they are released by payment of duty. In addition to the duty imposed there are other restrictions on the importation of dutiable goods, with which every importer must make himself acquainted. As an example of these restrictions, it may be mentioned that tobacco can only be imported at certain ports, in ships of not less than 120 tons burden, and in packets of not less than 80 lbs. gross weight, which may, however, be divided in bond for exportation or home consumption.

When the goods are required for sale, the proprietor of them, if the duty is to be paid upon the warehoused quantity, presents at the Cash Branch of the Custom House an "Entry for Home Consumption" for any one or more packages, together with the money for the duty. He also writes the necessary particulars on a "Duty Receipt." The warrant is then certified and forwarded to the officer in charge of the warehouse accounts, who compares the particulars with the official books, and, if correct, signs the Warehouse-Keeper's Order, which is sent to the vault or warehouse where the goods are stored; and as far as the Custom House is concerned, the owner may remove his goods.

In the cases of tea, coffee, and dried fruits, the duty must be paid on the weight ascertained at, or immediately after, landing. Tobacco, however, which loses weight while in the warehouse by the natural process of drying, is re-weighed, and, if the loss does not exceed certain limits, duty is paid on the weight then ascertained. On account of the high duty and the great weight of the packages in which tobacco is sometimes imported, part of a package may be taken out of bond. Wines and spirits in casks also lose in bulk and strength by evaporation. Wines are therefore re-gauged; spirits are also re-gauged and re-tested on the application of the merchant previous to the duty being paid, the warrant being presented to the warehouse officer for the purpose of having the particulars of the re-examination inserted. The procedure explained in the last paragraph is then followed.

In the case of spirits, the quantity and strength having been ascertained, the liquor is reduced mathematically to a certain standard strength called "proof," and duty is charged on the resultant strength. Thus, 60 gallons of brandy at 15 per cent. over proof, 15 o.p. $\frac{60 \times 115}{100} = 69$ proof gallons. The same quantity at 15 per cent. under proof, 15 u.p. $\frac{60 \times 85}{100} = 51$ gallons. Wines, however, are charged on the liquid gallons, and the rate of duty is the same within certain degrees of strength.

If the goods stored in a bonded warehouse are required for export, the first duty of the exporter is to give a bond to the Custom House authorities that the dutiable goods shall be duly shipped, or, failing that, shall be returned into the control of the customs. There is no duty to be paid. Nominally, the bond is prepared by the customs; but, to save time, the exporter will find it better to write his own bond and hand it in for examination. The necessary form can be obtained from the authorized agent for the sale of Customs Forms. It bears an impressed stamp, which varies from 3*d.* to 5*s.*, according to the amount of the penalty to be secured by the bond. This penalty is twice the amount of duty upon the goods concerned, and it is the practice to allow a sufficient margin both in giving the quantity of the goods and in calculating the penalty, care being taken to keep the latter within the amount of stamp duty paid. There are two parties to a customs bond, one being called the "exporter," and the other the "surety." No inquiry is made about the former, who must, however, be at least twenty-one years of age; and, as a rule, it is the clerk of the real exporter who becomes the exporter, so called, on the Custom House documents. The second party to the bond, however, must be some one of known position and standing, and as either a licensed and bonded lighterman or carman must be employed in the removal of the goods, the services of the lighterman or carman are generally brought into requisition as the surety. This does not, of course, mean the man who navigates the barge or drives the van, but his employer.

The bond having been prepared, both parties to it attend at the Custom House and execute it. It is usual for firms who do a large export trade to give a general bond of sufficient amount to cover all the operations they are likely to be carrying on at any time, in which case a separate bond for each transaction is not necessary. All general bonds are prepared by the solicitor to the customs, London, and on each export under it a "Notice of Exportation" takes the

place of the ordinary bond. This document requires an adhesive stamp, according to the scale for the bond, except in certain cases when it is exempt from stamp duty.

The name "Bond Warrant" is given to all kinds of entries for goods under bond. It is the basis on which the bond is prepared, but if the exporter has followed the usual practice of writing his own bond it will be soon enough to hand it in when the bond is given.

WARRANT. (Fr. *Warrant*, Ger. *Warrant, Lagerschein*, Sp. *Warrant, órden.*)

A receipt for goods deposited in a public warehouse. It is a negotiable instrument, and must bear a threepenny stamp.

WARRANT OF ATTORNEY. (Fr. *Pouvoir*, Ger. *Vollmacht*, Sp. *Poder.*)

A power given by a client to his attorney to appear and plead for him, or to suffer judgment to go against him by confessing the cause of the action to be just.

WARRANTY. (Fr. *Garantie*, Ger. *Garantie*, Sp. *Garantía.*)

A guarantee or stipulation. In contracts for the sale of goods a warranty is defined, by the Act of 1893, as "an agreement with reference to goods which are the subject of a contract of sale, but collateral to the main purpose of such contract, the breach of which gives rise to a claim for damages, but not to a right to reject the goods and treat the contract as repudiated."

The general rule as to contracts of sale of goods is that a person buys at his own risk, the maxim *caveat emptor* applying. But in the following cases a warranty is implied :—

(1) Where the buyer, expressly or by implication, makes known to the seller the particular purpose for which the goods are required, so as to show that the buyer relies on the seller's skill or judgment, and the goods are of a description which it is in the course of the seller's business to supply (whether he is the manufacturer or not), there is an implied condition that the goods shall be reasonably fit for such purpose, provided that in the case of a contract for the sale of a specified article under its patent or other trade name, there is no implied condition as to its fitness for any particular purpose.

(2) Where goods are bought by description from a seller who deals in goods of that description (whether he be the manufacturer or not), there is an implied condition that the goods shall be of merchantable quality; provided that if the buyer has examined the goods there shall be no implied condition as regards defects which such examination ought to have revealed.

(3) Where goods are bought by sample there is an implied condition that the bulk shall correspond with the sample, and shall be free from any defect rendering them unmerchantable, which would not be apparent on reasonable examination of the sample.

(4) An implied warranty or condition as to quality or fitness for a particular purpose may be annexed by the usage of trade.

An express warranty or condition does not negative a warranty or condition implied by the Sale of Goods Act, unless it is inconsistent with it. Any express warranty must be given at the time of the contract of sale, otherwise it must be supported by a fresh consideration.

Distinct from all questions of quality, there is an implied warranty, in every contract for the sale of goods (unless the contrary intention is shown), that the vendor has a right to sell the same, and that the goods are free from undisclosed incumbrances. A "contrary intention" would be shown if the vendor were a pawnbroker or a sheriff. Each can only transfer the right which he has in the goods at the time of sale, and, in default of express warranty, is not liable for loss arising through a defective title.

As to warranties implied in a policy of marine insurance, see *Marine Insurance.*

WASTE BOOK. (Fr. *Main courante, brouillon*, Ger. *Kladde, Strazze*, Sp. *Borrador.*)

This is a book sometimes, though erroneously, called the Day Book, in which entries of business transactions are made as they occur, and for a temporary purpose. Every transaction, whether of purchase, sale, or otherwise, is thus shown in chronological order irrespective of its nature. From the Waste Book the items are entered in proper form into the journal, with a view of being afterwards transferred permanently to the Ledger

WATERING OF STOCK. (Fr. *Dilution de Capital*. Ger. *Stammkapitalvergrösserung*, Sp. *Dilución de Capital.*)

This is a slang expression, meaning that an additional amount of stock has been issued by a company without any additional provision being made to pay the interest on the same, or that the nominal

value of securities has been increased without any corresponding payment in cash. This phrase originated in America.

WATER-LOGGED. (Fr. *Plein d'eau, entre deux eaux*, Ger. *halb unter Wasser*, Sp. *Lleno de agua.*)

This is a term applied to a ship which has become unmanageable owing to leakage, when the cargo is of such a nature, light timber for example, that it and the vessel both float.

WAY BILL. (Fr. *Feuille de route*, Ger. *Geleitschein*, Sp. *Hoja de marcha.*)

A document containing a list of passengers or goods carried by a public company.

WEIGHT NOTE. (Fr. *Note de poids*, Ger. *Gewichtsnota*, Sp. *Nota de pesos.*)

A document issued by the dock companies, giving the gross weight, tare and net weight, the marks, numbers, and dates of entry of imported goods.

WEST AUSTRALIA (WESTRALIA). Western Australia comprises all the continent to the west of the meridian of 129° east of Greenwich. The area is a million square miles; but the population only numbers about 90,000, most of whom are settled in the south-western corner of the colony. The productions, in order of value, are wool and skins, gold, timber, pearl-shells, and pearls. Much of the interior is a sandy region.

The forest area of Western Australia is large, and the timber is very valuable. Sandal-wood and jarrah are exported, the latter being a very durable red wood adapted for harbours, railways, bridges, and street paving. The minerals that have been found include gold, iron, lead, copper, and zinc. Silk culture has recently been undertaken.

Gold is found in the Coolgardie, Kimberley, Pilbarra, Ashburton, and Murchison Districts, the annual yield being about 700,000 ozs. Besides gold, exports to the United Kingdom chiefly consist of wool and timber; and the imports therefrom of metal goods and textiles.

Perth, the capital, is a small town on the west coast, and Albany, the chief port, is on St. George's Sound, in the extreme south. There is telegraphic communication with Adelaide.

Mails are despatched every Friday via Brindisi or Naples. The time of transit is twenty-seven days. The cost of telegrams is 2*s.* 10*d.* or 3*s.* per word.

WET DOCK. (Fr. *Bassin à flot*, Ger. *Aussendock*, Sp. *Darsena.*)

A dock into which vessels are admitted at high water, when the dock gates are closed again so that the level of the water does not sink. In these docks ships can lie afloat and take in or discharge cargo at any time, without regard to the rising or the falling of the tide.

WET GOODS. (Fr. *Marchandises liquides*, Ger. *Flüssigkeiten*, Sp. *Liquidos.*)

All liquids contained in casks or bottles.

WHARF. (Fr. *Quai, entrepôt*, Ger. *Werft, Kai*, Sp. *Muelle.*)

A bank of timber or stone on the shore of a harbour or river where vessels can be loaded and unloaded.

A wharf is a "factory" within the meaning of the Factory and Workship Act, 1895, and therefore a "factory" within the meaning of the Workmen's Compensation Act, 1897; but it does not necessarily follow that a canal wharf, upon which no machinery is used, is such a factory.

WHARFAGE. (Fr. *Quayage*, Ger. *Kailagermiete*, Sp. *Muellaje.*)

The fee charged for using a wharf when discharging a vessel of her cargo.

WHARFINGER. (Fr. *Propriétaire de quai*, Ger. *Kaimeister*, Sp. *Proprietario (arrendatario) del muelle.*)

The person who has charge or is owner of a wharf. He has a general lien upon goods in his possession for any moneys due to him from the owner of the goods.

WHARFINGER'S RECEIPT. (Fr. *Quittance de propriétaire*, Ger. *Quittung des Kaimeisters*, Sp. *Descargo de muelle.*)

The document given by a wharfinger in acknowledgment of goods received for shipment.

WHOLESALE. (Fr. *Gros, vente en gros*, Ger. *en gros, im Grossen, Grosshandel*, Sp. *al por mayor.*)

The buying and selling of goods in large quantities only. Dealings in small quantities are said to be by retail.

WILL. (Fr. *Testament*, Ger. *Testament*, Sp. *Testamento.*)

A will, by the law of England, is an instrument by which a person makes a disposition of his property to take effect after his death, and which is in its own nature revocable by him during his lifetime, but which speaks and takes effect as if it had been executed not at its date but immediately before the death of the testator. It operates to dispose of all the real and personal estate to which the testator is entitled at the time of his death.

It must be borne in mind that a will of real estate, that is, of fixed and immoveable property, is governed by the law of the place where the property is situated. The place where such a will is made and the language used are unimportant, but the execution must be in the form required by the law in force in the country where the property is. A will to pass real property in England must be executed in accordance with the provisions of the Wills Act, 1837, that is, it must be in writing, and signed at the foot or end thereof by the testator, or by some other person in his presence and by his direction; and such signature must be made or acknowledged by the testator in the presence of two or more witnesses present at the same time, and each witness must attest and subscribe the will in the presence of the testator, but no form of attestation is necessary. It follows, therefore, that if a person is possessed of real estate in other countries than England, for example, in France or Germany, he must make a separate will in accordance with the forms required by each country in order to deal with the property situated elsewhere than in England.

As to a will of personal estate, that is, of moveable property, the law of the country in which the testator is domiciled, or has his permanent home, at the time of his death, prevails as a general rule, and it is therefore generally sufficient if a will is executed according to the formalities required by the country of the domicile. By a statute passed in 1861, it is provided that a will made out of the United Kingdom by a British subject, whatever may be his domicile at the time of making the same or at the time of his death, shall as regards personal estate be held to be well executed if it is made according to the forms required either by the law of the place where the same was made, or by the law of the place where such person was domiciled when the same was made, or by the laws then in force in that part of the British dominion where he had his domicile of origin; and that every will made within the United Kingdom by a British subject, whatever may be his domicile at the time of making the same or at the time of his death, shall as regards personal estate be held to be well executed if it is executed according to the forms required by the laws for the time being in force in that part of the United Kingdom where the same is made. For example, if a British subject is residing or staying temporarily abroad, he can make a will as to his personal property either in the above named English form, or in the form in vogue in the country where he is residing, or in the form of the country where he is domiciled, or in the form of that part of the British dominions where he had his domicile of origin. (See *Domicile.*)

The forms required for making a will in the following foreign countries are regulated, in some part, with modifications, by the Code Napoleon. In France, Belgium, and Italy a will can be holograph, or by public act, or by secret form. A holograph will to be valid must be written entirely by the testator, and dated and signed by him. No other formality is required. A will by public act is one which is received by two notaries in the presence of two witnesses, or by one notary in the presence of four witnesses. If it is received by two notaries it must be dictated to them by the testator and be written out by one of the notaries, whichever is selected. If there is only one notary it must be in like manner dictated by the testator and written out by the notary. In either case it must be read throughout to the testator in the presence of the witnesses, and it must be signed by the testator and by the witnesses. Neither legatees, nor their relations, nor relatives by marriage to the fourth degree, nor clerks of the notaries employed are capable of being witnesses. A secret will may be written by the testator or by some other person, but it must be signed by the testator himself. The paper which contains the dispositions or the envelope in which it is placed must be closed and sealed. The testator must present it so closed and sealed to a notary and six witnesses at least, or close and seal it in their presence, and declare that it contains his will written and signed by him, or written by some other person and signed by him. It is the duty of the notary to subscribe the document, his subscription being on the paper, or on the leaf which serves for the envelope, and the subscription must be attested by the witnesses. The witnesses must be males, of age, and citizens in full enjoyment of civil rights.

In Spain a will can be holograph, public, or secret. A holograph will must be on paper stamped with the year of its manufacture, and wholly written and signed by the testator, with the date on which it is made, and it must

be presented to a judge of first instance of the last domicile of the testator within five years of that date. If this last formality is not complied with the will is invalid. Foreigners can make a holograph will in the language of the country to which they belong. There are also regulations as to the presentation of the will to a judge after the death of the testator. A public will must be received by a notary in the presence of three witnesses, one of whom must be able to read and write, and who must see the testator. The testator is required to make a declaration of his last wishes to the notary. The will, with the statement of the place and date, is then read aloud, and the testator must declare that it is conformable to his wishes. The document is then signed and attested by those of the witnesses who are able to read and write, and the notary must make a declaration to the effect that the testator is capable of making a will. A secret will is made with the same formalities as in France, except that only five witnesses are required, of whom three must sign. The remaining formalities are in the province of the notary. Women, minors, strangers, blind persons, mutes, deaf persons, those who do not understand the language of the testator, persons incapacitated by law, and writers, clerks, servants, and relations of the notary to the fourth degree, and relatives by marriage to the second degree, cannot be witnesses. In a public will the devisees and legatees cannot be witnesses, nor their relations to the fourth degree, nor relatives by marriage to the second degree.

In Germany, a will can be made in common form before a judge or a notary, or by a testament written and signed by the testator with a statement of the date and place. For the purpose of a will a judge must have the assistance of the registrar or two witnesses; a notary, a second notary or two witnesses. Relations and relatives by marriage in a direct line, or to the twelfth degree, are incapable of acting as judge, notary, or witnesses. Attestation by legatees avoids their legacies, and minors cannot attest. The testator must declare orally to the judge or the notary his last wishes and have them put into writing. A statement must be made in the will of the place and date, of the description of the testator and the witnesses, and of the dispositions of the testator. This is read over and approved by the testator and then signed by him. If the testator is unacquainted with the German language his written wishes must be translated into German by an interpreter. After the execution, the will is sealed by the judge or notary in the presence of the above mentioned persons and the testator with the public seal and deposited in a public registry. A certificate of the deposit is handed to the testator. A return of the certificate by the testator operates as a revocation of the will.

The law of England does not make it requisite to the validity of a will that it should assume any particular form, or be couched in language technically appropriate to its testamentary character. It is sufficient that, however irregular in form or inartificial in expression, it discloses the intention of the testator respecting the destination of his property after his death. The incompetency of an attesting witness to be admitted to prove the execution does not invalidate a will. But if any person attests a will to whom, or to whose wife or husband, any devise, legacy, or benefit (except charges for payments of debts) is given, such devise, legacy, or benefit is null and void. A creditor, with the payment of whose debt the property of the testator is charged by the will, or an executor is a competent witness.

A minor cannot make a valid will according to the law of England. An exception is made in the case of a soldier on active military service, or a mariner at sea, as far as his personal property is concerned. Either of these may make a will verbally before witnesses, so as to dispose of personal estate.

The will of a lunatic is void unless it is proved that the will was executed during a lucid interval. And a will may be set aside if it is shown that its execution was obtained by force, fear, fraud, or undue influence.

A woman who was married before 1883 can only make a will with the consent of her husband. If the marriage took place after 1882 a married woman has full power to dispose by will of the whole of her property as if she were an unmarried woman.

Although it was pointed out above that no form of attestation is necessary, it is usual to state that the formalities of the Wills Act have been carried out. A common attestation clause is the following :—

"Signed by the said A. B., the testa-

tor, in the presence of us, both present at the same time, who in his presence and at his request and in the presence of each other have hereunto set our names as witnesses." The two witnesses then sign their names and give descriptions of themselves. In the absence of an attestation clause an affidavit by one of the witnesses will be required after the death of the testator before probate will be granted.

No obliteration, interlineation, or other alteration made in any will after execution is valid except so far as the words or effect of the will before such alteration is not apparent, unless such alteration, etc., is executed in the same manner as is required for the execution of a will. But a will with such alteration, etc., as part thereof is duly executed if the signature of the testator and the subscriptions of the witnesses are made in the margin or on some other part of the will opposite or near to such alteration, or at the foot or end of, or opposite to a memorandum referring to such alteration etc., and written at the end or some other part of the will.

A will is always revocable during the lifetime of the testator, even though there is a declaration in it to the effect that it is irrevocable. The revocation is complete if a duly executed subsequent will contains a clause expressly revoking a former will. Also the will of a man or woman is *de facto* revoked by his or her marriage, except where it is made in exercise of a power of appointment when the real and personal estate thereby appointed would not, in default of the appointment, pass to his or her heir, customary heir, executor or administrator, or to the person entitled as his or her next of kin under the Statutes of Distribution. But no will is revoked by any presumption of an intention on the part of a testator. Therefore, unless there is a revocation by implication of law, as above stated, a will, in order to be revoked, must be burned, torn, or otherwise destroyed by the testator or some person in his presence and by his direction, with the intention of revoking the same. No will which has been revoked can be revived except by re-execution, or by a codicil executed in the manner before described, showing an intention to revive it. A codicil is generally used to make some change in the dispositions contained in a will, and forms a kind of appendix to the original will. It must be dated, signed, and attested by two witnesses in the same manner as a will.

A testator sometimes desires to refer to extraneous documents in making his will. It should be borne in mind that it is a rule of law that any papers in existence at the time of execution of a testamentary document may be incorporated into it, and be read as part of it, if so clearly referred to as to leave no doubt what papers were intended. But a document or paper not in existence at the time of the execution of a will cannot be incorporated into it, nor can a testator reserve by his will a power of making a disposition by any subsequent unattested paper. For instance, a person cannot direct legacies given by will to his children to be reduced by what shall appear by his books at his death to have been lent by him to them. Such a direction is void. And, similarly, he cannot give to them by will articles which he shall specify in his notebook. But in connection with this matter another rule of law must be borne in mind, that if a parent, or a person standing *in loco parentis*, bequeaths to a child a legacy or a share of the residue of his property, and afterwards in his lifetime gives to such child an equal or a less amount than such legacy or share of residue, the bequest will be wholly or partially, as the case may be, adeemed or satisfied by the subsequent gift.

Where it is known that a will has been made, but cannot be found after the death of the testator, and there is no evidence forthcoming that it has been revoked, secondary evidence is admissible to show what its contents were. Declarations of the testator, whether oral or in writing, are received as evidence for that purpose.

In the case of the will of Lord St. Leonards, the contents of a lost will were allowed to be proved by a single witness, whose competency and veracity were unimpeachable, even though the witness was an interested party. Where it is not possible to prove the whole of the contents of a lost will, probate will be granted to the extent to which they are proved.

If a legatee dies before the testator, the legacy lapses and falls into the residue. And if there is no residuary legatee there is an intestacy as to so much of the estate of the testator as is comprised in the legacy. There is, however, an exception to this rule. If a person being a child or other issue of a testator to whom any property is devised or bequeathed by such testator dies in the lifetime of the testator leaving issue,

and any such issue survive the testator, such devise or bequest does not lapse by the death of the devisee or legatee in the lifetime of the testator, but takes effect as if the death of such person had happened immediately after the death of the testator. The effect of this is not that the issue of the person takes the devise or bequest, but that it passes by the will or intestacy of the devisee or legatee as the case may be.

The word children in a will means legitimate children. If, therefore, a testator wishes to provide for children of whose legitimacy there is or may be a doubt, he should particularize them by their names or otherwise show by clear words the objects of his beneficence, and not merely describe them as children of A.B.

By the rule against what is known as "perpetuities," a testator cannot by his will tie up property for a longer period than a life or lives in being, and twenty-one years afterwards (allowance being made for gestation where it actually exists). The effect of this rule is that the income arising from property can be dealt with by leaving the property in the hands of trustees for the benefit of any number of persons, who are alive at the time of the testator's death, in succession, and after the decease of the survivor of them for a further period of twenty-one years, so that at the end of such period of twenty-one years the capital must go to some person or persons absolutely. Again, a will cannot direct property and income to be accumulated (except for the payment of debts), for a longer period than twenty-one years from the death of the testator, or during the minority of any person or persons living at his death, or during the minority of any person or persons who would, if of full age, be entitled to the rents and profits or interest of the property. The rule against perpetuities does not apply to legacies left to charities.

Previous to 1892, the Mortmain Acts prohibited devises of lands to charities (with certain exceptions), but now land may be left by will for any charitable use, but it must in every case be sold within a year of the testator's death, unless an extended period is allowed by the High Court or the Charity Commissioners. Also any personal property directed to be laid out in land for charitable uses need not be so expended, but can be held by the charity as an investment. And the High Court, or the Charity Commissioners, if satisfied that the land left by will to a charity, or directed to be purchased out of personalty, is required for occupation, may sanction the retention or the purchase of it.

Upon the death of a testator, it is the duty of his executors to prove his will in order to perfect their title to act. This must be done by all the executors appointed, or by some or one of them, power being reserved for the other or others to prove or to renounce. Probate can be taken out after the lapse of seven days from the death of the testator. If the executors intermeddle with the estate, or in any way administer it without taking out probate within six months after the death of the testator, they are liable to a fine of £100, and a percentage on the stamp duty. (See *Executor.*)

For the safe custody of the wills and codicils of living persons, a depository has been provided at Somerset House. The wills or codicils are received at the principal or any district registry, if they are inclosed in sealed envelopes, and forwarded to Somerset House upon compliance with prescribed regulations. These regulations will always be furnished upon application. The fee charged is 12*s.* 6*d.*

The will of any person, after it has been proved, may be read at Somerset House on payment of a fee of one shilling. A copy may also be obtained, the price of the copy being dependent upon the length of the document.

WINDING UP. (Fr. *Liquidation*, Ger. *Liquidation*, Sp. *Liquidación.*)

The winding up of a company means the closing up of all the business transactions and finance of the whole concern. Winding up is the only process by means of which a company is brought to an end, and it does not therefore necessarily follow that a company is insolvent when this process is resorted to. Whilst its affairs are being wound up, a company is said to be "in liquidation." (See *Companies.*)

WINDWARD. (Fr. *Côté du vent*, Ger. *windwärts*, Sp. *Al viento.*)

The side of a ship facing the quarter from which the wind blows.

WINDWARD ISLANDS. (BRITISH) The southern group of the islands, called the Lesser Antilles, which separate the Caribbean Sea from the Atlantic Ocean.

The Windward Islands under British authority are: (1) Barbados; (2) St. Lucia; (3) St. Vincent; (4) The Grenadines; (5) Grenada; (6) Tobago; (7) Trinidad.

Of these, Barbados is a separate colony, and Tobago is attached to Trinidad. The remaining Windward Islands make up the three colonies of Grenada, St. Vincent, and St. Lucia.

Port Castries, on St. Lucia, has one of the best harbours in the West Indies, and is fast growing in importance.

The chief products are cocoa, arrow-root, cotton, sugar, logwood, and spices. The cultivation of the sugar-cane is declining.

Mails are despatched once a fort-night via Southampton, unless specially indorsed to be sent via the United States. The time of transit is from twelve to fourteen days. The cost of telegrams varies from *4s. 6d.* to *5s. 2d.* per word.

WITHOUT ENGAGEMENT. (Fr. *Sans promesse d'engagement*, Ger. *ohne Gewähr*, Sp. *Sin comprometimiento.*)

A term sometimes used by merchants when quoting the price of certain articles liable to sudden fluctuations. It means that the quotation they give is the market price of the day, but they do not bind themselves to accept an order at it.

WITHOUT RECOURSE. (Fr. *Sans recours*, Ger. *ohne Regress*, Sp. *Sin recursos.*)

Words sometimes written by an indorser on a bill of exchange, though the French phrase is the more common, implying that the indorsee has no claim against the indorser should the bill not be paid when it becomes due. The words are only used when the indorser has no personal interest in the bill, and has only acted as agent for another person.

WITHOUT RESERVE. (Fr. *Sans mise à prix*, Ger. *ohne Vorbehalt, unbedingt*, Sp. *Sin reserva.*)

An auction term, signifying that the goods offered for sale will be sold absolutely to the highest bidder. The law upon the subject was thus stated by Baron Martin: "The sale was announced by the auctioneers to be without reserve. This, according to all the cases both at law and in equity, means that neither the vendor nor any person in his behalf shall bid at the auction, and that the property shall be sold to the highest bidder, whether the sum be equivalent to the real value or not. We cannot distinguish the case of an auctioneer putting up property for sale upon such a condition from the case of the loser of property offering a reward, or that of a railway company publishing a time-table stating the times when, and the places to which, trains run. It has been decided that the person giving the information advertised for, or a passenger taking a ticket, may sue as upon a contract with him. Upon the same principle, it seems to us that the highest *bonâ fide* bidder at an auction may sue the auctioneer as upon a contract that the sale shall be without reserve."

WORKMEN'S COMPENSATION ACT, 1897. This Act was passed with the intention of increasing the liability of an employer to compensate his workmen for injuries received in the course of employment. For the first time an employer has been made liable to pay compensation irrespective of the consideration whether he or any of his subordinates has been guilty of any negligence or breach of duty. He has become, in fact, an insurer, and although the insurance is limited in extent, it is, but for one exception, quite irrespective of cause. The exception is where the injury has been caused by the serious and wilful misconduct of the workman himself.

The construction of the Act has given rise to an enormous amount of litigation, and no amendment has been passed, save the Act of 1900, which extended the provisions of the Act of 1897 to persons engaged in agricultural pursuits. The greatest difficulty has been the limited application of the Act, and after that the method of calculating the amount of compensation to be paid. It has by no means displaced the Employers' Liability Act, nor the common law principles of liability. But though there is an overlapping, and the workman has a choice of remedies, he is not enabled to obtain double compensation. If a mistake is made he may, under certain conditions and upon certain terms, be allowed to proceed under his proper remedy. But the alternate course must be taken without delay, so as not to prejudice the employer.

The following are the principal provisions of the Act:—

1. (1) If in any employment to which this Act applies personal injury by accident arising out of and in the course of the employment is caused to a workman, his employer shall, subject as hereinafter mentioned, be liable to pay compensation in accordance with the first schedule of the Act.

(2) Provided that:—

(*a*) The employer shall not be liable under this Act in respect of any injury which does not disable the workman

for a period of at least two weeks from earning full wages at the work at which he was employed ;

(b) When the injury was caused by the personal negligence or wilful act of the employer, or of some person for whose act or default the employer is responsible, nothing in this Act shall effect any civil liability of the employer, but in that case the workman may, at his option, either claim compensation under this Act, or take the same proceedings as were open to him before the commencement of this Act ; but the employer shall not be liable to pay compensation for injury to a workman by accident arising out of and in the course of the employment both independently of and also under this Act, and shall not be liable to any proceedings independently of this Act, except in case of such personal negligence or wilful act as aforesaid ;

(c) If it is proved that the injury to a workman is attributable to the serious and wilful misconduct of that workman, any compensation claimed in respect of that injury shall be disallowed.

(3) If any question arises in any proceedings under this Act as to the liability to pay compensation under this Act (including any question as to whether the employment is one to which this Act applies), or as to the amount or duration of compensation under this Act, the question, if not settled by agreement, shall, subject to the provisions of the first schedule of this Act, be settled by arbitration.

(4) If, within the time hereinafter in this Act limited for taking proceedings, an action is brought to recover damages independently of this Act for injury caused by any accident, and it is determined in such action that the injury is one for which the employer is not liable in such action, but that he would have been liable to pay compensation under the provisions of this Act, the action shall be dismissed ; but the court in which the action is tried shall, if the plaintiff shall so choose, proceed to assess such compensation, and shall be at liberty to deduct from such compensation all the costs which, in its judgment, have been caused by the plaintiff bringing the action instead of proceeding under this Act.

In any proceeding under this subsection, when the court assesses the compensation it shall give a certificate of the compensation it has awarded, and the directions it has given as to the deduction for costs, and such certificate shall have the force and effect of an award under this Act.

(5) Nothing in this Act shall affect any proceedings for a fine under the enactments relating to mines or factories, or the application of any such fine, but if any such fine, or any part thereof, has been applied for the benefit of the person injured, the amount so applied shall be taken into account on estimating the compensation under this Act.

2. (1) Proceedings for the recovery under this Act of compensation for an injury shall not be maintainable unless notice of the accident has been given as soon as practicable after the happening thereof and before the workman has voluntarily left the employment in which he was injured, and unless the claim for compensation with respect to such accident has been made within six months from the occurrence of the accident causing the injury, or in case of death, within six months from the time of death. Provided always that the want of or any defect or inaccuracy in such notice shall not be a bar to the maintenance of such proceedings, if it is found in the proceedings for settling the claim that the employer is not prejudiced in his defence by the want, defect, or inaccuracy, or that such want, defect or inaccuracy was occasioned by mistake or other reasonable cause.

(2) Notice in respect of an injury under this Act shall give the name and address of the person injured, and shall state in ordinary language the cause of the injury and the date at which it was sustained, and shall be served on the employer, or, if there is more than one employer, upon one of such employers.

(3) The notice may be served by delivering the same to or at the residence or place of business of the person on whom it is to be served.

(4) The notice may also be served by post by a registered letter addressed to the person on whom it is to be served at his last known place of residence or place of business, and if served by post shall be deemed to have been served at the time when the letter containing the same would have been delivered in the ordinary course of post, and in proving the serving of such notice it shall be sufficient to prove that the notice was properly addressed and registered.

(5) Where the employer is a body of

persons corporate or unincorporate, the notice may also be served by delivering the same at, or by sending it by post in a registered letter addressed to the employer at the office, or, if there be more than one office, any one of the offices of such body.

3. (1) If the Registrar of Friendly Societies, after taking steps to ascertain the views of the employer and workmen, certifies that any scheme of compensation, benefit, or insurance for the workmen of an employer in any employment, whether or not such scheme includes other employers and their workmen, is on the whole not less favourable to the general body of workmen and their dependants than the provisions of this Act, the employer may, until the certificate is revoked, contract with any of those workmen that the provisions of the scheme shall be substituted for the provisions of this Act, and thereupon the employer shall be liable only in accordance with the scheme, but, save as aforesaid, this Act shall apply notwithstanding any contract to the contrary made after the commencement of this Act.

(2) The registrar may give a certificate to expire at the end of a limited period, not less than five years.

(3) No scheme shall be so certified which contains an obligation upon the workmen to join the scheme as a condition of their hiring.

(4) If complaint is made to the Registrar of Friendly Societies by or on behalf of the workmen of any employer that the provisions of any scheme are no longer on the whole favourable to the general body of workmen of such employer and their dependants as the provisions of this Act, or that the provisions of such scheme are being violated, or that the scheme is not being fairly administered, or that satisfactory reasons exist for revoking the certificate, the registrar shall examine into the complaint, and, if satisfied that good cause exists for such complaint, shall, unless the cause of complaint is removed, revoke the certificate.

(5) When a certificate is revoked or expires any moneys or securities held for the purpose of the scheme shall be distributed as may be arranged between the employer and workmen, or as may be determined by the Registrar of Friendly Societies in the event of a difference of opinion.

(6) Whenever a scheme has been certified as aforesaid, it shall be the duty of the employer to answer all such inquiries and to furnish all such accounts in regard to the scheme as may be made or required by the Registrar of Friendly Societies.

(7) The Chief Registrar of Friendly Societies shall include in his annual report the particulars of the proceedings of the registrar under this Act.

4. Where, in an employment to which this Act applies, the undertakers as hereinafter defined contract with any person for the execution by or under such contractor of any work, and the undertakers would, if such work were executed by workmen immediately employed by them, be liable to pay compensation under this Act to those workmen in respect of any accident arising out of and in the course of their employment, the undertakers shall be liable to pay to any workmen employed in the execution of the work any compensation which is payable to the workman (whether under this Act or in respect of personal negligence or wilful act independently of this Act) by such contractor, or would be so payable if such contractor were an employer to whom this Act applies.

Provided that the undertakers shall be entitled to be indemnified by any other person who would have been liable independently of this section.

This section shall not apply to any contract with any person for the execution by or under such contractor of any work which is merely ancillary or incidental to, and is no part of, or process in, the trade or business carried on by such undertakers respectively.

5. (1) Where any employer becomes liable under this Act to pay compensation in respect of any accident, and is entitled to any sum from insurers in respect of the amount due to a workman under such liability, then in the event of the employer becoming bankrupt, or making a composition or arrangement with his creditors, or, if the employer is a company, of the company having commenced to be wound up, such workman shall have a first charge upon the sum aforesaid for the amount so due, and the judge of the county court may direct the insurers to pay such sum into the Post Office Savings Bank in the name of the registrar of such court, and order the same to be invested or applied in accordance with the provisions of the first schedule of this Act.

(2) In the application of this section to Scotland, the words "have a first

charge upon" shall mean "be preferentially entitled to."

6. Where the injury for which compensation is payable under this Act was caused under circumstances creating a legal liability in some person other than the employer to pay damages in respect thereof, the workman may, at his option, proceed, either at law against that person to recover damages, or against his employer for compensation under this Act, but not against both, and if compensation be paid under this Act, the employer shall be entitled to be indemnified by the said other person.

7. This Act shall apply only to employment by the undertakers as hereinafter defined on or in or about a railway, factory, mine, quarry or engineering work, and to employment by the undertakers as hereinafter defined on in or about any building which exceeds thirty feet in height, and is either being constructed or repaired by means of a scaffolding, or being demolished, or on which machinery driven by steam, water, or other mechanical power is being used for the purpose of the construction, repair, or demolition thereof.

8. This Act shall not apply to persons in the naval or military service of the Crown, but otherwise shall apply to any employment by or under the Crown to which this Act would apply if the employer were a private person.

9. Any contract existing at the commencement of this Act, whereby a workman relinquishes any right to compensation from the employer for personal injury arising out of and in the course of his employment, shall not, for the purposes of this Act, be deemed to continue after the time at which the workman's contract of service would determine if notice of the determination thereof were given at the commencement of this Act.

Scale and Conditions of Compensation. First Schedule.—(1) The amount of compensation under this Act shall be—

(*a*) Where death results from the injury—

(i) If the workman leave any dependants wholly dependent upon his earnings at the time of his death, a sum equal to his earnings in the employment of the same employer during the three years next preceding the injury, or the sum of £150, whichever of those sums is the larger, but not exceeding in any case £300 provided that the amount of any weekly payments made under this Act shall be deducted from such sum, and if the period of the workman's employment by the said employer has been less than the said three years, then the amount of his earnings during the said three years shall be deemed to be 156 times his average weekly earnings during the period of his actual employment under the said employer;

(ii) If the workman does not leave any such dependants, but leaves any dependants in part dependent upon his earnings at the time of his death, such sum, not exceeding in any case the amount payable under the foregoing provisions, as may be agreed upon, or, in default of agreement, may be determined, on arbitration under this Act, to be reasonable and proportionate to the injury of the said dependants; and

(iii) If he leaves no dependants, the reasonable expenses of his medical attendance and burial, not exceeding £10.

(*b*) Where total or partial incapacity for work results from the injury, a weekly payment during the incapacity after the second week not exceeding 50 per cent. of his average weekly earnings during the previous twelve months, if he has been so long employed, but if not, then for any less period during which he has been in the employment of the same employer, such weekly payment not to exceed £1.

(2) In fixing the amount of the weekly payment, regard shall be had to the difference between the amount of the average weekly earnings of the workman before the accident and the average amount which he is able to earn after the accident, and to any payment not being wages which he may receive from the employer in respect of his injury during the period of his incapacity.

(3) Where a workman has given notice of an accident, he shall, if so required by the employer, submit himself for examination by a duly qualified medical practitioner, provided and paid by the employer, and if he refuses to submit himself to such examination, or in any way obstructs the same, his right to compensation, and any proceeding under this Act in relation to compensation, shall be suspended until such examination takes place.

(4) The payment shall, in case of death, be made to the legal personal representative of the workman, or, if he has no legal personal representative, to or for the benefit of his dependants, or, if he leaves no dependants, to the

person to whom the expenses are due; and if made to the legal personal representative shall be paid by him to or for the benefit of the dependant or other person entitled thereto under this Act.

(5) Any question as to who is a dependant, or as to the amount payable to each dependant, shall, in default of agreement, be settled by arbitration under this Act.

(6) The sum allotted as compensation to a dependant may be invested or otherwise applied for the benefit of the person entitled thereto, as agreed, or as ordered by the committee or other arbitrator.

(7) Any sum which is agreed or is ordered by the committee or arbitrator to be invested, may be invested in whole or in part in the Post Office Savings Bank by the registrar of the county court in his name as registrar.

(8) Any sum to be so invested may be invested in the purchase of an annuity from the National Debt Commissioners through the Post Office Savings Bank, or be accepted by the Postmaster-General as a deposit in the name of the registrar as such, and the provisions of any statute or regulations respecting the limits of deposits in savings banks, and the declaration to be made by a depositor, shall not apply to such sums.

(9) No part of any money invested in the name of the registrar of any county court in the Post Office Savings Bank under this Act shall be paid out, except upon authority addressed to the Postmaster-General by the Treasury or by the judge of the county court.

(10) Any person deriving any benefit from any moneys invested in a Post Office Savings Bank under the provisions of this Act may, nevertheless, open an account in a Post Office Savings Bank, or in any other savings bank in his own name without being liable to any penalties imposed by any statute or regulations in respect of the opening of accounts in two savings banks, or of two accounts in the same savings bank.

(11) Any workman receiving weekly payments under this Act shall, if so required by the employer, or by any person by whom the employer is entitled under this Act to be indemnified, from time to time submit himself for examination by a duly qualified medical practitioner, provided and paid by the employer, or such other person, but if the workman objects to an examination by that medical practitioner, or is dissatisfied by the certificate of such practitioner upon his condition when communicated to him, he may submit himself for examination to one of the medical practitioners appointed for the purposes of this Act, and the certificate of that medical practitioner as to the condition of the workman at the time of the examination shall be given to the employer and workman, and shall be conclusive evidence of that condition. If the workman refuses to submit himself to such examination, or in any way obstructs the same, his right to such weekly payments shall be suspended until such examination has taken place.

(12) Any weekly payment may be reviewed at the request either of the employer or of the workman, and on such review may be ended, diminished, or increased, subject to the maximum above provided, and the amount of payment shall, in default of agreement, be settled by arbitration under this Act.

(13) Where any weekly payment has been continued for not less than six months, the liability therefor may, on the application by or on behalf of the employer, be redeemed by the payment of a lump sum, to be settled, in default of agreement, by arbitration under this Act, and such lump sum may be ordered by the committee or arbitrator to be invested or otherwise applied as above mentioned.

(14) A weekly payment, or a sum paid by way of redemption thereof, shall not be capable of being assigned, charged, or attached, and shall not pass to any other person by operation of law, nor shall any claim be set off against the same.

The greatest difficulties in connection with the Act have been those arising out of the construction of the first and the seventh sections, and out of the methods of calculating the scale of compensation. But it is quite unnecessary for the ordinary business man to trouble himself with details. A brief glance at the wording of the Act shows the nature of the responsibility thrown upon the employer, and no employer whose business might by any chance fall within the class of those named in the Act could afford to remain uninsured. As a matter of fact, nearly every case which has been fought has been on behalf of or against an insurance company. This never appears in any report, for the proceedings are always taken nominally against the employer, the insurance company indemnifying the

employer in respect of any compensation which is awarded under the provisions of the Act. Some very large business firms manage their own insurance funds; but no small employer could prudently do so, the risk being too great.

Most arbitrations take place before a county court judge. The arbitrator is the sole judge of the facts of each case, and the right of appeal to the Court of Appeal direct, and not to the Divisional Court, is confined to appeals upon a point of law raised in the proceedings.

WORKING PARTNER. (Fr. *Associé actif*, Ger. *aktiver Teilhaber*, Sp. *Socio activo.*)

A partner who gives, in addition to the capital which he has invested, his labour and experience for the benefit of the business.

WRECK. (Fr. *Navire naufragé*, *naufrage*, Ger. *Wrack*, Sp. *Naufragio.*)

A ship cast on shore after being abandoned. Technically, a ship is not a wreck if any living thing is on board at the time of the stranding.

WRECKAGE. (Fr. *Naufrage*, *débris* Ger. *Strandgut*, *Schiffstrümmer*, Sp. *Objetos arrojados por el mar.*)

Goods cast upon the shore by the sea after a wreck.

WRIT. (Fr. *Assignation*, Ger. *Gerichtsbefehl*, Sp. *Asignación.*)

A document by which the person named therein is summoned to attend at a certain place, or to perform a certain act under a penalty.

X. This letter is used in the following abbreviations :—

X.c., Ex coupon.
X.d., Ex dividend.
X. in., Ex interest.
X. new, Ex new.

Y is used in the combination Y/A, as an abbreviation for York Antwerp Rules (marine insurance).

YARD. (Fr. *Yard*, Ger. *Elle*, Sp. *Yarda.*)

The British standard of length. It is defined by an Act of Parliament, passed in 1855, as the straight line or distance between the centres of the transverse lines in the two gold plugs in the bronze bar deposited in the office of the Exchequer when the temperature is at 62° Fahrenheit. If this standard should by any chance be destroyed, it may be replaced by means of its copies. Should these in turn fail the length must be restored by pendulum observations.

The measure of the yard is 3 feet or 36 inches.

YEARS' PURCHASE. (Fr. *Loyer d'un nombre (spécifié) d' années*, Ger. *Jahre der Miete*, Sp. *años adelantados.*)

A term used to indicate that landed or house property is worth so many times its annual rental.

YEARLY TENANCY. (See *Landlord and Tenant.*)

YEN. The new unit of value in Japan. It is represented both by gold and silver coins. The value of the gold twenty yen piece is £2 0*s.* 11½*d.*, which gives the circulating value of the silver token yen at about 2*s.* 0½*d.*, or 9.76 yens at par are equal to £1.

ZANZIBAR. This British protectorate consists of the islands of Zanzibar and Pemba. The former has an area of 640 square miles, and the latter of 380 square miles. The united population is about 300,000. The capital, Zanzibar, is the great entrepot for the trade of the mainland of Eastern Africa. The products are cloves, chillies, cocoa-nuts, ivory, rubber, hides, and gum. Zanzibar gives four-fifths of the clove crop of the world.

Mails are despatched regularly once a month, though there are supplemental services via Marseilles and Aden for letters specially indorsed. Zanzibar is 8,064 miles distant from London. The time of transit is twenty-two days. The cost of telegrams is 2*s.* 6*d.* per word.

ZOLLVEREIN. (Fr. *Zollverein*, Ger. *Zollverein*, Sp. *Zollverein union aduanera.*)

The union of the various German states, under the leadership of Prussia, established in 1818, to enable them, in their commercial dealings with other countries, to act as one. The need for such a union had long been felt, for it was utterly ruinous to commerce to be compelled to cross a frontier every few miles. After the establishment of the Zollverein all import duties were collected on a common frontier, and the moneys received were divided among the different states in proportion to their populations. The affairs were managed by a council of delegates from the states. Since the union of the Empire of Germany under one sovereign the Zollverein has ceased to be of importance.

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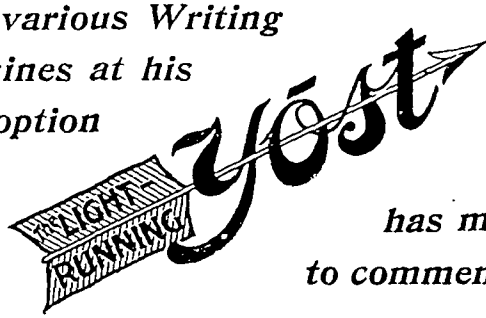
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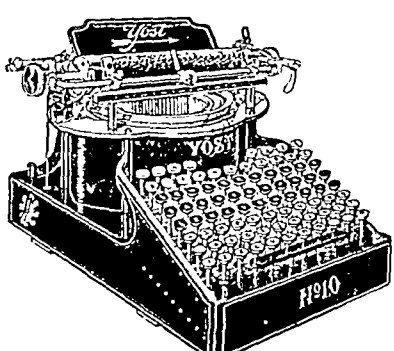


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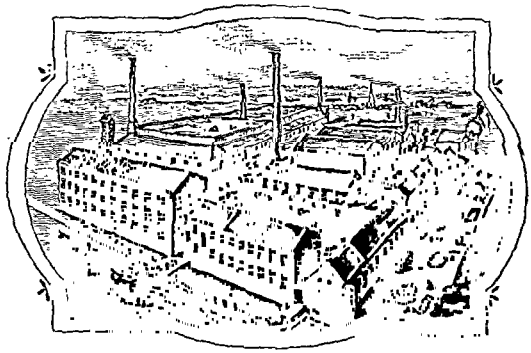
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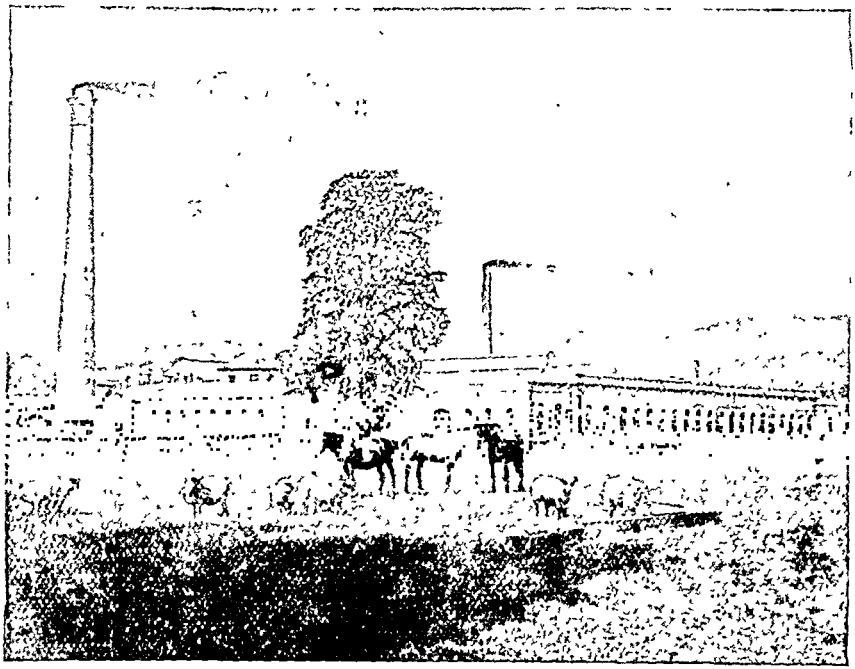
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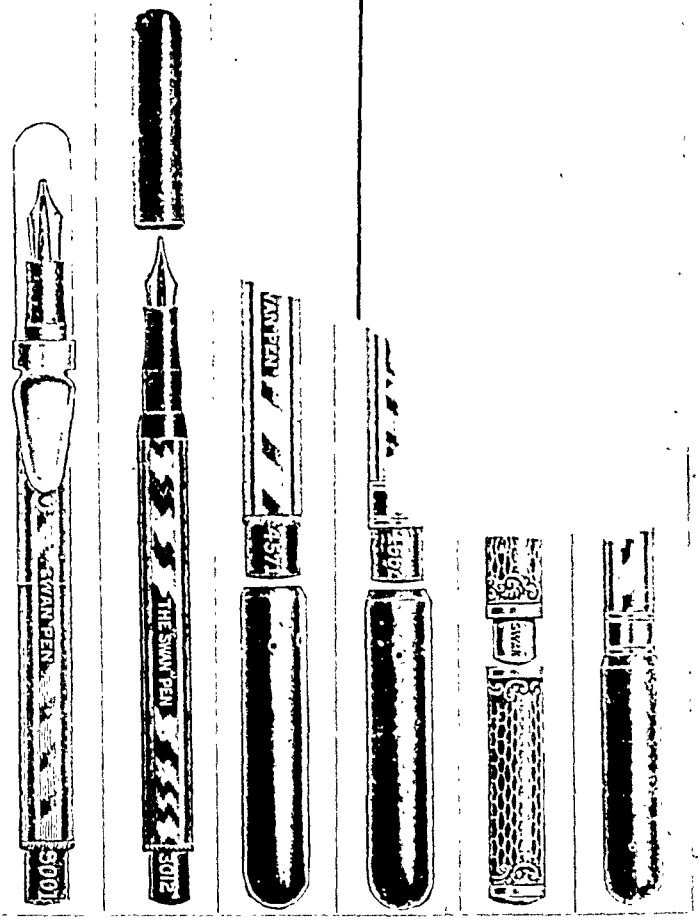
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